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**TAZKIA ISLAMIC UNIVERSITY COLLEGE
BOGOR, INDONESIA**



International Islamic Multidisciplinary Conference

Main Campus IAI Tazkia

Jl.Ir.H. Djuanda No.78 Sentul City, Citaringgul

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PREFACE

All praise is due to Allah, the Lord of the worlds, who has bestowed His blessings, allowing this proceeding to be completed and hoped to serve as a valuable reference for academics and practitioners in the field of Islamic Multidisciplinary Studies. May peace and blessings always be upon Prophet Muhammad Shallallahu 'Alaihi Wasallam, whose intercession is awaited by Muslims on the Day of Judgment.

With great happiness, we present the proceedings of the International Islamic Multidisciplinary Conference (IIMCo) 2024 to the authors and delegates of this program. We hope these proceedings will be useful and inspiring. The proceedings contain papers presented at the International Islamic Multidisciplinary Conference on Islamic Economics, Islamic Business Management, Islamic Accounting, Islamic Education, Islamic Law, and Islamic Communication and Broadcasting, themed “Current Development in Multidisciplinary Islamic Studies” held at Tazkia Islamic University College, Indonesia, from May 29 to 30, 2024.

This event aims to foster collaboration and knowledge exchange in various fields under the umbrella of Islamic studies. With a focus on multidisciplinary approaches, we believe this conference will be a pivotal platform for scholars, researchers, and practitioners to converge and contribute to the advancement of Islamic knowledge.

Finally, we would like to express our gratitude to all parties involved in the writing, layout, and publication of this highly valuable proceeding, especially the organizing committee of IIMCo 2024. We hope that this proceeding will be beneficial to all readers worldwide. Thank you.

Bogor, 10 June 2024

Chairman of the Organizing Committee,
Tazkia Islamic University College

Nabella Dananier, S.Sos.I., M.Pd.



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The Effect of Social Skills on the Activity of the Student Organizations in the Islamic Universities

Najwa Azka Khairani, Riski Nur Alim, Diva Annisa Auralya Zahra

This study aims to explore the impact of social skills on participation in student organization activities within the Tazkia Islamic Institute. Through a quantitative survey approach, data was collected using questionnaires administered to students active in various campus organizations. Statistical analysis, specifically regression techniques, was used to identify the relationship between social skills and student organization activities. The results showed that social skills have a significant effect on participation in student organization activities. Students who have developed social skills tend to be more active and have a more substantial role in organizational activities on campus. This is due to their ability to communicate effectively, work together in teams, as well as resolve conflicts constructively - important factors in shaping organizational success. The implication of this study confirms the importance of developing social skills among university students to improve the effectiveness and quality of campus organizational activities. Therefore, Islamic educational institutions are expected to design training programs that focus on improving social skills to support the development of more productive and impactful student organization activities. This research presents a new contribution by exploring the impact of social skills on students' organizational activities in an Islamic university environment, specifically the Tazkia Islamic Institute, which has not been specifically focused on the context of Islamic education.

Keywords: Social Skills, Organizational Activity, Social Studies Education Islamic Universities.



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INTRODUCTION

Social skills are essential abilities that enable individuals to interact effectively and harmoniously in society. These skills include various aspects such as effective communication, teamwork, the ability to manage conflict, and the ability to adapt to different social situations. In the context of higher education, social skills are important not only for academic success, but also for students' personal and professional development. Students with good social skills are more likely to build strong social networks, which in turn can open various career opportunities and a better life after graduation.

Student organization activities are one of the most important ways to develop these social skills (Muhammad, 2017). Student organizations, whether academic, religious, cultural, or social, provide a platform for students to practice and apply their social skills in a real-world context. Through participation in these organizations, students can learn to work with others, lead groups, solve problems together, and communicate effectively. However, not all students have the opportunity or ability to actively participate in these organizations. Some may have difficulty developing the social skills necessary to participate effectively.

However, from the perspective of Islamic colleges, there are some significant differences in the context of social skills development and participation in student organization activities. In addition to providing quality academic education, Islamic universities have a mission to build character in accordance with Islamic teachings and prepare students to become effective leaders in society (M. Ihsan Dacholfany, 2013). Therefore, it is important to examine the influence of social skills on student organizational activities by considering the unique context of Islamic universities.

In Islamic colleges, the development of social skills is seen not only as preparation for professional and personal success, but also as an integral part of character development in accordance with Islamic values. Students in Islamic colleges are encouraged to integrate Islamic moral and ethical principles into every aspect of their lives, including social interactions and participation in organizations. Therefore, research on the influence of social skills on student organizational activities in the context of Islamic universities will place more emphasis on how the development of social skills can help students become individuals of good morals and responsibility in accordance with Islamic teachings.

In addition, the role of student organizations in Islamic universities may have a clearer focus on the spiritual and social development of students. Organizational activities such as religious study groups, social activities to help the community, and discussion forums on Islamic values may become more dominant in Islamic colleges.

Research on the influence of social skills on students' organizational activities is very important in this context. By understanding how social skills influence students' participation in organizations, we can identify factors that inhibit or support their involvement. This information can be used by universities to design more effective programs and policies to support the development of students' social skills. In addition, this research can also provide deeper insights into the importance of social skills in students' lives and how these skills can

be optimized to improve the quality and effectiveness of student organizations. Ultimately, the results of this study are expected to contribute to increased student participation in student organizations, which in turn will enrich their learning experiences and prepare them to become effective leaders and positive contributors to society.

LITERATURE REVIEW

Student Organizations

Student organizations play an important role in the holistic development of students, including the aspects of social skills and organizational activities. A few literature studies have highlighted various aspects related to student organizations.

One of the key findings in the literature review on student organizations is their important role in the development of leadership and interpersonal skills. (Junaedi, Akhyar, Salvita, Abellia, & Sania, 2023) shows that active participation in student organizations provides opportunities for students to practice various leadership skills, such as the ability to organize, lead teams, make decisions, and solve problems. Through the responsibilities and roles, they take on in the organization, students can hone their leadership skills in a real-world context. This is consistent with previous research by (Mustika Cahyaning Pertiwi, Sulistiyawan, Rahmawati, & Klatsum, 2015), which found a relationship between student involvement in organizations and leadership.

In addition, through active participation in organizational activities, students can learn to communicate effectively, work in teams, and build good relationships with fellow members and other stakeholders. Interactions that occur in the context of student organizations allow students to develop empathy, appreciate diversity, and understand the perspectives of others, all of which are key aspects of interpersonal intelligence (Fitri Oviyanti, 2016).

Student organizations provide a platform for students to develop organizational, communication, collaboration, and leadership skills through participation in activities such as meetings, projects, and social events. Research also shows that students involved in student organizations tend to have higher levels of self-confidence, better problem-solving skills, and broader social networks.

Social Skills and Student Organization Activities

Lestari & Kustiyani (2022) showed that the social skills of students have an influence on their activity in organizations. A study showed that the strengthening of social skills in students of social science education cluster must be supported by the activity and development of the organization, as well as the implementation of work programs and coaching patterns.

The development of soft skills, or non-technical skills such as communication, leadership, creativity, and teamwork, has become a major focus in modern higher education. (Muhmin, 2018) highlights the importance of developing soft skills for university students as an integral part of their preparation for professional and personal success. In this context, social skills can be said to be one of the most important soft skills for university students.

RESEARCH METHODOLOGY

This study uses a quantitative approach with a survey method to examine the effect of social skills on student activeness in student organizations at Tazkia Islamic Institute. Data collection was done through the use of a questionnaire, where a questionnaire for this study consisted of 15 items and arranged using a Likert scale with five response options, namely strongly agree (SS) with a value of 5, agree (S) with a value of 4, moderately agree (CS) with a value of 3, disagree (TS) with a value of 2, and strongly disagree (STS) with a value of 1. The collected data were then analyzed using the Statistical Package for the Social Sciens (SPSS) software. The research population consisted of all students majoring in Social Studies Education in the classes of 2020, 2021, and 2022 who were selected through purposive sampling based on the criteria of active students majoring in Social Studies Education.

The independent variable (X) in this study is the level of students' social skills, which is measured by several indicators, namely the ability to manage social presentations, the ability to observe the social environment, and the ability to adapt to social situations, in accordance with the concepts described by (Wu, 2008). On the other hand, the dependent variable (Y) in this study is the activeness of students in student organizations, which is measured through indicators such as the level of attendance at meetings, participation, giving suggestions, willingness of members to sacrifice, and motivation of members, which is explained in the study (Rusdiyah, 2022).

RESULT AND DISCUSSION

1. Descriptive Analysis of Social Skills Variables

From the research conducted, the results regarding social skills variables are described in Table 1 attached below.

No.	Statement	Social Skills Criteria
1.	I behave in accordance with social norms	Simply
2.	I understand what I want to say in a social setting	Simply
3.	I can start pleasant conversations	Simply
4.	I can express my ideas easily	Simply
5.	I understand social norms well	Simply
6.	People think I have good manners	Simply
7.	I behave according to my mood	Simply
8.	I don't follow the rules in my social environment	very less
9.	I made a mistake in the social environment	very less
10.	I find it difficult to convey messages	Simply
11.	I rarely greet my friends	very less
12.	I have difficulty interacting with my friends	very less
13.	I can judge people well	Simply
14.	I can tell when someone is comfortable talking to me	Simply
15.	I can tell when someone is angry	Simply
16.	I pay attention to people's non-verbal behavior	Simply
17.	I can accurately assess a person's characteristics at the first meeting	less
18.	I can recognize feelings someone's true self, even if they try to hide it	Simply
19.	I rarely pay attention to someone's body language	less
20.	I can't tell if someone is lying	less
21.	I don't understand what someone means when they do something	less
22.	I am not good at feeling what others feel	less
23.	I have difficulty in predicting someone's behavior	less
24.	I don't know how to read between the lines	less
25.	I can adjust my behavior quickly	Simply
26.	I can adapt myself in any situation	Simply
27.	I smile easily even when I am upset	Simply
28.	I am cheerful when needed	Simply
29.	I know how to handle social situations	less
30.	I don't know what to say when I'm in social situations which is strange	less
31.	I don't know how to socialize with someone I just met	less
32.	I have difficulty in talking to people who have different backgrounds	less
33.	Someone told me that I am not likable	less
34.	I don't understand how to handle situations that don't work as expected	less

Table 1. Analysis of social skills level of Tazkia students

Based on the analysis of the table above, overall, the social skills of Tadris IPS students can be categorized as sufficient, with scores in the range 88.5-115.6. In social interaction, students try to always adhere to the prevailing norms, scoring around 105. Students' understanding of social situations is also considered quite good, scoring around 104. Although students were able to start pleasant conversations with a score of 96, there was room for improvement, especially in the ease of expressing ideas, which scored 94. Understanding of social norms is also stated to be quite good, reaching a score of 100, and is considered to have good behavior by those around them, with a score of around 100. However, there is still potential for improvement in adjusting to moods, with a score of 91.

However, it is worth noting some aspects that received low ratings, such as lack of adherence to social rules (score 44) and recognition of mistakes in social settings (score 51). Difficulty in conveying messages (score 67) and the habit of rarely greeting friends (score 58) are also areas of concern for further development. Although students can assess people well (score 96) and detect comfort in speaking (score 95), social interactions still encounter difficulties, especially in establishing closeness with friends (score 55). Although students have sufficient skill in reading other people's expressions and non-verbal behaviors, it is seen that students' ability to judge people's characteristics at the first meeting still needs to be improved,

with a score of 77. Students have a sufficient level of skill to know whether someone is angry or trying to hide their feelings, scoring 97 and 89 respectively.

However, there were weaknesses in students' ability to notice people's body language (score 64) and detect lies (score 67). Students also face difficulties in understanding the intent of a person's actions (score 72) and sensing the feelings of others (score 67). Despite weaknesses in some aspects of reading social situations and interacting with new people, students still could adjust behavior quickly (score 90) and can adapt to various situations (score 99). Nonetheless, it is seen that students have shortcomings in handling unfamiliar social situations (score 80), socializing with new people (score 72), and talking with people who have different backgrounds (score 78). Although students have a cheerfulness that comes across in their actions, they sometimes struggle to handle unexpected situations (score 73). It seems that students are also perceived as less flexible by some people (score 65).

Based on this analysis, it can be concluded that the highest score was obtained in the aspect of behavior in line with social norms, specifically in the statement "I behave in accordance with social norms." This result illustrates the correlation between students' social skills and their behavior patterns. In other words, the level of social maturity of students is reflected in the extent to which they can follow the prevailing social norms. This conformity reflects students' social maturity in interacting with their surrounding environment. It is important to identify factors that may influence the high scores on this indicator. Some possible contributing factors include character education, organizational experience, and support from the academic environment. For example, participation in Student Activity Unit activities and student organizations can help students develop their social skills. Interactions with fellow students, lecturers, and those outside the university through these activities can provide valuable experience in shaping behavior in accordance with social norms.

2. Descriptive Analysis of Organizational Activity Variables

An overview of descriptive information about the student organizational activeness variable can be seen in Table 2 attached below.

No.	Statement	Engagement Criteria Organize
1	I attend my organization's regular meetings	Very High
2	I make time for the benefit of my organization	Very High
3	I am at my organization's secretariat or basecamp every day.	High
4	I think about the future of my organization	Very High
5	I provide constructive opinions, criticisms, suggestions for my organization	Very High
6	I provide solutions when there are problems in my organization	Very High
7	I exchange opinions or share with other members in the organization	Very High
8	I set aside money for the continuity of the organization	Very High
9	I carry out tasks that given with good and full responsibility in every activity held by the organization.	Very High
10	I clarify when there is miscommunication between members	Very High
11	I give my all to the organization that I participated in	Very High
12	I prioritize personal interests over organization interests	High
13	I build good communication between members	Very High
14	I attend when there is an invitation from outside	Very High
15	I help find donors for every organizational activity.	Very High

Table 2. Analysis of the level of organizational activity of the students of Tazkia Institute

CONCLUSION

Based on the two variable analyses that have been carried out, it can be concluded that the maturity of social skills of Tazkia Institute students can affect their organizational activity. The highest values on several variables indicate a correlation between students' social maturity and their tendency to be active in organizational activities. Students who have good social skills, especially in behaving in accordance with social norms, tend to be more active in organizations. These social skills include the ability to interact, communicate, and collaborate with other members in accordance with applicable norms. There is a relationship between social skills and activeness organization indicates that students who are more socially mature are more likely to engage and contribute to the context of organizational activities.

Factors that can influence high scores on behavioral indicators according to social norms involve character education, organizational experience, and support from the academic environment. For example, participation in Student Activity Unit activities and student organizations can be an effective platform for developing students' social skills. Intense interaction in these activities can provide valuable experience in shaping behavior in accordance with social norms.

In addition, the results of the analysis of the second variable, which showed the highest scores in the aspects of exchanging opinions, contributing full abilities, and building good communication in an organizational context, confirmed that students with good social skills tend to actively participate, collaborate, and communicate in an organizational environment.

This is also supported by the findings of (Hidayati, Pratomo, & Maftuhah, 2015) which state that social skills have a positive influence on student organizational activeness, because students who have good social skills tend to be able to communicate well, work in teams, and build good relationships with others. Motivation that arises from within students will tend to

make students stable in participating in the organization, so good social skills will help students to play an active role in participating in all activities held by the organization.

In this study, the findings related to the ability to manage social presentations, the ability to observe the social environment, and the ability to adapt in social situations can be linked to the basic theory of social skills described by (Wu, 2008). The analysis of students' social skills shows that they have a high level of social maturity, particularly in behaving in accordance with social norms and understanding social norms well. This reflects the positive correlation between social maturity and the ability to manage social presentation, where students who are able to interact in accordance with social norms tend to have good ability to manage social presentation.

Furthermore, the ability to observe the social environment is also seen to be strong, along with the high ability of students to accurately assess the characteristics of others. This supports the social awareness theory which states that socially aware individuals are able to observe and respond appropriately to social situations. On the other hand, in the context of adaptability in social situations, the findings indicate the potential for improvement, especially in adjusting to moods. This confirms the importance of social flexibility and adaptability in the context of social situations. Overall, the findings of this study consistently support the grounded theory (Wu, 2008) of social skills, strengthening the understanding of the relationship between students' social maturity and their success in various aspects of social interaction in the campus environment.

Thus, to increase the organizational activity of the students at Tazkia Institute, special attention can be given to the development of social skills. Efforts to develop social skills, both through formal approaches such as the development of skills acquired in various courses related to social science education, and through non-academic activities fostered by study programs, such as activities in the Student Association, can be an effective strategy for encouraging student involvement in organizational activities. Support from the academic environment and providing opportunities to participate in organizational activities can be concrete steps that support the development of students' social skills which can increase their activeness in organizational activities.

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Analysis of the Influence of Religion on Corruption Behavior and Giving in ASEAN Member Countries with Muslim Majority and Non-Muslim Majority

Putri Qurrota A'yun, Siti Fatimah Zahra

The aim of this study is to compare corruption behavior and giving in ASEAN member countries with a Muslim majority and a non-Muslim majority from 2018 to 2022. Sample selection was done using purposive sampling with criteria aligned to the research objectives. The population in this study consists of 6 countries, with a sample of 4 countries. The method of data analysis utilized was the independent samples t-test. The outcomes of the comparative analysis suggest a notable distinction in corruption behavior between nations predominantly Muslim and those predominantly Buddhist. Additionally, the study found a significant difference in generous behavior between countries with a Muslim majority and those with a Buddhist majority.

Keywords: Corruption Behavior, Giving Behavior, Islam, Buddhism

INTRODUCTION

ASEAN is a regional organization in Southeast Asia. Since its establishment, ASEAN has been motivated by common experiences, circumstances, and aspirations following colonialism. Currently, ASEAN comprises 11 countries with relatively similar social and economic conditions. According to ASEAN Indonesia (2023), only two of the 11 ASEAN member countries are classified as developed nations. This means that, according to the World Bank's standards for developed countries, most ASEAN member states have a per capita income below US\$13,845. Low levels of income result in high poverty rates, as poverty denotes a situation in which individuals do not have sufficient income to fulfill their basic needs (Thesia & Karmini, 2022).

Low income is also attributed to low productivity. Productivity refers to an individual's choice to participate in activities that generate output or not. Many social factors influence this decision. Religion is one such factor, as a person's decision to undertake certain actions is influenced by their religion (Slamet Rusydiana & Pamuncak, 2018).

The religion held by ASEAN member countries vary. According to a report by Royal Al-Bayt For Islamic Thought (2023), Brunei Darussalam, Indonesia, and Malaysia predominantly follow Islam. In contrast, the Philippines and Timor-Leste mainly adhere to Catholicism. Thailand, Myanmar, Singapore, Cambodia, and Laos have a majority Buddhist population. Vietnam is the only ASEAN member country where the majority of the population does not adhere to any religion or is atheist. The religious religion of these countries will inevitably influence the behavior of their governments and societies, which, in turn, will have an impact on poverty.

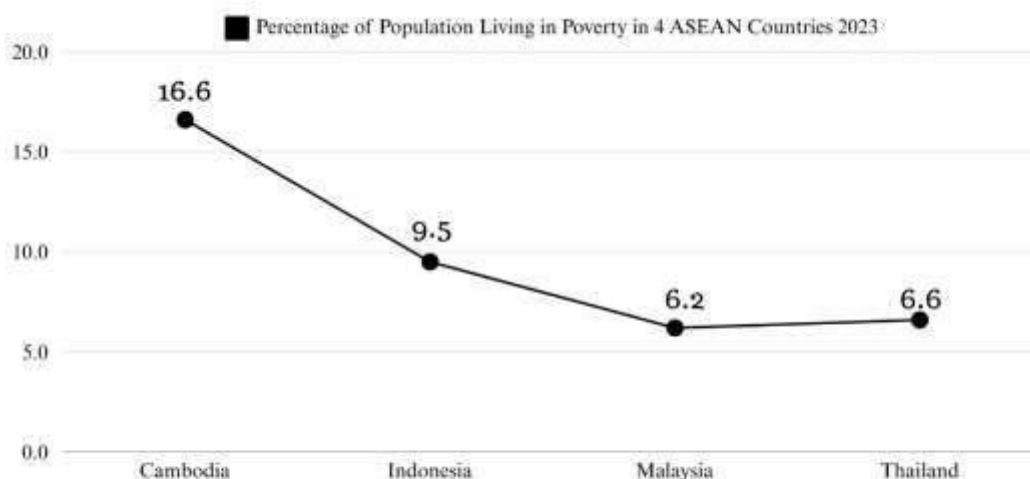


Figure 1 Percentage of Poor Population in 4 ASEAN Countries in 2023

Source : Goodstats (2023)

Based on the data, these four countries still face poverty issues. In 2023, among these countries, Cambodia had the highest poverty rate at 16.6%. Indonesia followed with a rate of 9.5%, Thailand was next with 6.6%, and Malaysia had the lowest rate at 6.2%. Addressing poverty is crucial as it impacts many other social aspects. To tackle poverty, it is essential to understand its causes. Poverty is influenced by several factors, including inflation, the quality of human development, patterns of corruption, and population size Samputra & Munandar (2019). Research by Gumala & Anis (2019), Yolanda & Satrianto (2019), and Heryadi et al. (2022) shows that corruption behavior exacerbates poverty. Corruption diverts funds intended for the public, preventing them from reaching those in need (Abram & Yeniwati, 2021). The conduct of officials involved in corruption is also impacted by the degree of trust they possess. All religions advocate against infringing upon the rights of others.

Based on corruption levels measured by the Corruption Perception Index (CPI), these four ASEAN countries still have high corruption rates. According to Transparency International's 2021 annual report, Indonesia had the highest corruption level among the four, with a CPI score of 34. Thailand followed with a score of 36, then Cambodia with 39. Malaysia had the highest CPI score of 47, indicating the lowest corruption level among the four. Despite the majority of the populations in these countries adhering to Islam and Buddhism, which both prohibit corruption, high corruption rates persist. This suggests that the quality of religious adherence among the populace influences their behavior.

Poverty is also influenced by income inequality Nisa et al. (2020), which occurs when wealth is concentrated in the hands of a few. Addressing inequality involves income redistribution from the wealthy to the needy, which helps reduce poverty (Sa'adah, 2023). A person's level of giving in sharing is also influenced by their beliefs, as religions teach the value of helping others.

Data on giving levels, measured by the Charities Aid Foundation's 2022 World Giving Index, shows that some of these countries are quite generous. Indonesia had the highest giving score globally, with an index score of 68. Malaysia was second among the four countries with a score of 46, followed by Thailand with 45. Cambodia had the lowest giving score among all ASEAN countries, with an index score of only 23. Islam promotes sharing through Islamic philanthropy, and Buddhism also teaches generosity. This giving can help address inequality and reduce poverty.

Drawing from this overview, the objective of this study is to examine and contrast the conduct of governments and societies in ASEAN nations with predominant Muslim and Buddhist populations. The four selected countries are Indonesia and Malaysia (Muslim majority) and Thailand and Cambodia (Buddhist majority). The focus of this research is to compare the influence of Islamic and Buddhist teachings on the behavior of governments and societies, impacting poverty levels. This will be measured using the Corruption Perception Index to represent the behavior of those in power and the World Giving Index to represent societal contributions in alleviating poverty.

LITERATURE REVIEW

According to Slamet Rusydiana & Pamuncak (2018), Max Weber in his book "The Protestant Ethic and the Spirit of Capitalism" revealed that society's behavior in economic, social, political, and other aspects is also influenced by religion. In the past, people separated religious activities from economic activities, spending more time on religious practices. A person's behavior is based on the values they believe in, which introduces a rationality that influences their actions.

Based on research by Dhamasanti & Sudaryati (2021), religious values influence professionalism and decision-making. The rules within a religion affect whether a person engages in or avoids certain actions. For instance, Islam prohibits usury, gambling, and fraud in economic activities, so Muslims are likely to avoid these practices.

Muslims, in their actions, seek rewards from Allah. Islam provides detailed rules on prohibitions and rewards for those who adhere to its values. The Islamic economic system aims for the welfare of the world and the hereafter. Therefore, Muslims consider whether their economic behavior will impact their afterlife welfare.

Acts of charity and good deeds, if done with the intention of pleasing Allah, will be rewarded in the afterlife. Muslims do not feel a loss in sharing because they believe Allah will reward their good deeds. This value is expressed in the Quran, Surah Ar-Rahman, verse 60: "Is there any reward for good other than good?" The concept of doing good in Islam is structured within Islamic economic philanthropy. Muslims have several social acts they can perform.

Zakat is an obligatory act in Islam where Muslims must donate a portion of their wealth if it exceeds a certain threshold. This wealth is then distributed to eight categories of recipients. According to Aziz (2022), zakat significantly reduces poverty. Additionally, Islam encourages sadaqah (charity) and infaq (voluntary contributions), where Muslims are advised to help those in need voluntarily. This ensures more equitable wealth distribution, as the affluent give to the less fortunate.

Islam also emphasizes the concept of taqwa, which means being conscious of Allah and obedient to Him. This consciousness keeps Muslims from engaging in prohibited actions (Kazemi, 2010). Consequently, it affects their behavior, including their conduct in public office. Allah commands in the Quran, Surah AlAnfal, verse 27: "O you who have believed, do not betray Allah and the Messenger or betray your trusts while you know [the consequence]." Taqwa should prevent a Muslim from committing corruption, as corruption is a betrayal of trust.

Citing Kazemi (2010), Buddhism also has significant values known as the Four Noble Truths. The first truth is that life involves suffering. The second is that desire leads to suffering. This means Buddhists believe following desires causes suffering. The third truth is the cessation of suffering, where controlling desires ends suffering. The fourth truth is the path to ending suffering, where controlling desires leads to a path towards the Ultimate Reality.

To control desires, one must understand that the world is not eternal. Recognizing that life is not everlasting discourages harmful actions. This teaching also encourages sharing with

others since material wealth is not permanent. It also discourages corruption, as corruption stems from following harmful desires and harming others.

Based on the above theories and explanations, it is evident that religious religion indirectly influence behavior, which in turn affects poverty. The poor face limitations in accessing resources, leading to low productivity and income, thus trapping them in poverty (Susanto & Pangesti, 2019). The poor need external help to escape poverty.

The government, holding power, can implement policies to improve societal welfare and reduce poverty. Such policies must be accompanied by anti-corruption measures, as corruption diverts necessary funds, hindering societal prosperity and reducing poverty (Yolanda & Satrianto, 2019). Society can also help reduce poverty by being generous. The affluent should willingly share and assist those in need, ensuring equitable income distribution, which indirectly reduces poverty (Rizal & Mukaromah, 2020).

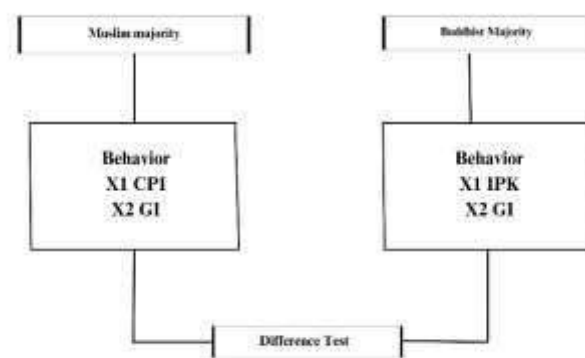


Figure 2 Research Model

Source : Processed by Researchers (2024)

H0: There is no difference in behavior between countries with majority Islamic and Buddhist beliefs in ASEAN member states.

H1: There is a difference in behavior between countries with majority Islamic and Buddhist beliefs in ASEAN member states.

METHOD

This research employs a quantitative method, which involves numerical measurements supported by theory to formulate research hypotheses. These hypotheses are then statistically tested to obtain the research results. The study uses a comparative independent sample t-test for its analysis. Comparative analysis is used to compare specific conditions between groups over a particular period.

This study utilizes secondary data from relevant sources regarding the Corruption Perception Index and the World Giving Index in ASEAN member countries with majority Muslim and Buddhist populations. The data were obtained from the annual reports of

Transparency International and the Charities Aid Foundation for the period 2018-2022, sourced from their official websites.

The population of this study includes six ASEAN member countries where the majority of the population practices Islam or Buddhism. A purposive sampling method was employed to select a sample of four countries, based on the objectives and needs of the research.

The analysis technique employed is the Independent Samples t-test, which assesses and compares two groups across a defined time frame. The t-test is performed to ascertain whether the means of two unpaired groups exhibit significant differences. For the Independent Samples t-Test, it's necessary that the data follows a normal distribution. The analysis incorporates Levene's Test to assess homogeneity and the t-test for comparing two independent samples. According to the criteria for Levene's Test: if the significance value is greater than 0.05, the t-test is interpreted as Equal Variances Assumed, if the significance value is less than 0.05, the t-test is interpreted as Equal Variances Not Assumed. Decision making is based on the following: if the significance (sig. 2-tailed) $> \alpha$ (with $\alpha = 0.05$), H_0 is accepted; if the significance (sig. 2-tailed) $< \alpha$, H_0 is rejected. Data analysis was facilitated using IBM SPSS Statistics 26 software.

Normality Test

The normality test in this study determines whether the data is normally distributed. The data is considered to be normally distributed if the significance value (sig.) is greater than 0.05. Conversely, the data is not normally distributed if the significance value (sig.) is less than 0.05. Based on the data processing results in this study, the normality test results are as follows:

Tests of Normality

	Kolmogorov-Smirnov ^a			Shapiro-Wilk		
	Statistic	Df	Sig.	Statistic	df	Sig.
Corruption	.190	20	.057	.912	20	.071
Giving	.143	20	.200	.928	20	.143

This is a lower bound of the true significance. a. Lilliefors

Significance Correction

Based on the results, the significance values of the Shapiro-Wilk test for the corruption variable are 0.071 and for the giving variable are 0.143. This indicates that the corruption and giving variables have significance values less than 0.05, meaning the data is normally distributed.

Homogeneity Test

The homogeneity test assesses whether the variances of the groups being compared are equal. The data is considered homogeneous if the significance value (sig.) is greater than 0.05. Conversely, if the significance value (sig.) is less than 0.05, the data is considered non-homogeneous. Based on the data processing results in this study, the homogeneity test results are as follows:

		Levene's Test for Equality of Variances	
		F	Sig.
Corruption	Equal variances assumed	2.233	.152
	Equal variances not assumed		

Based on the test results, it is observed that the significance value of the corruption variable is 0.152, which is greater than 0.05. This implies that the data for the corruption variable is considered homogeneous.

It can be concluded that the data used in this study meets the requirements for comparative analysis as it is free from normality and homogeneity issues. Subsequently, an Independent Sample t-test analysis was conducted to determine whether there are significant differences in behavior between majority Muslim and majority Buddhist countries. Below are the results of the data analysis and processing:

Comparative Analysis of Corruption Behavior in ASEAN Member States with Majority Muslim and Buddhist Populations

		Levene's Test for Equality of Variances		t-test for Equality of Means		
		F	Sig.	T	df	Sig. (2tailed)
Corruption	Equal variances assumed	2.233	.152	3.979	18	.001
	Equal variances not assumed			3.979	17.385	.001

Based on the data processing results through SPSS, it is found that there is a significant difference in corruption behavior between majority Muslim and majority Buddhist countries. The significance value (Sig. 2) obtained using the Equal Variances Assumed method is 0.001, which is less than 0.05. Therefore, the null hypothesis (H0) is rejected, and the alternative hypothesis (H1) is accepted.

Comparative Analysis of Giving Behavior in ASEAN Member States with Majority Muslim and Buddhist Populations

		Levene's Test for Equality of Variances		t-test for Equality of Means		
		F	Sig.	t	df	Sig. (2tailed)
Kedermawana n	Equal variances assumed	.016	.901	3.384	18	.003
	Equal variances not assumed			3.384	17.983	.003

Based on the data processing results through SPSS, it is found that there is a significant difference in giving behavior between majority Muslim and majority Buddhist countries. The significance value (Sig. 2) obtained using the Equal Variances Assumed method is 0.003, which is less than 0.05. Therefore, the null hypothesis (H0) is rejected, and the alternative hypothesis (H1) is accepted.

Discussion

Based on the results of the independent t-test analysis, there is a significant difference in corruption behavior between majority Muslim and majority Buddhist populations. This implies that communities with majority Islamic and Buddhist religion exhibit different attitudes towards corruption. The magnitude of this difference can be observed from the Mean Difference value of 13.1. This indicates that the influence of Islamic and Buddhist religion on the corruption behavior of their respective communities is 13 points on the corruption perception index. Furthermore, based on the average values, it is evident that majority Islamic populations have a stronger anti-corruption behavior influence compared to majority Buddhist populations. This is evidenced by the average corruption perception index of majority Muslim countries being 43.30, while majority Buddhist countries have an index of 30.20. In essence, ASEAN countries with majority Buddhist populations are more corrupt compared to those with majority Islamic populations.

Similarly, the analysis reveals a significant difference in giving behavior between majority Muslim and majority Buddhist populations. This indicates that communities with majority Islamic and Buddhist religion exhibit different behaviors towards helping others. The magnitude of this difference can be observed from the Mean Difference value of 18.5. This suggests that the influence of Islamic and Buddhist religion on the giving behavior of their respective communities is 18 points on the giving index. Additionally, based on the average values, it is evident that majority Islamic populations exhibit a stronger giving behavior influence compared to majority Buddhist populations. This is evidenced by the average giving index of majority Muslim countries being 52.40, while majority Buddhist countries have an index of 33.90. Essentially, ASEAN countries with majority Islamic populations are more generous compared to those with majority Buddhist populations.

These findings undoubtedly have implications for the poverty level in these countries. Addressing poverty requires not only economic policies but also the involvement of both governmental and societal behaviors. Corruption has been shown to have a significant positive impact on poverty based on studies by Gumala & Anis (2019), Samputra & Munandar (2019), Yolanda & Satrianto (2019), and Abram & Yewiwati (2021). Additionally, society also plays a role in reducing poverty. The willingness of individuals to donate, assist, and engage in social activities for those in need will help them overcome poverty. Giving has been shown to have a significant negative impact on poverty based on studies by Rizal & Mukaromah (2020) and Sa'adah (2023).

CONCLUSION

Based on the research findings, it can be concluded that there are differences in corruption and giving behavior between communities with majority Islamic and majority Buddhist beliefs. Furthermore, it is evident that Islam has a greater influence on anti-corruption behavior and giving compared to Buddhism.

The researchers recommend that all members of society, regardless of their Islamic or Buddhist faith, strive to enhance the quality of their beliefs, as both religions fundamentally teach similar values. Additionally, due to the limited number of studies examining the influence of religion on behavior, it is hoped that this research can serve as a reference for future researchers.

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The Effective, Convenience and Secure Mobile Banking in Indonesian Sharia Banks

Tifa Noer Amelia, Fahrizan Idoanto

This research aims to determine the effect of effectiveness, convenience and security of transaction services using Sharia Bank Mobile Banking in Indonesia. The population in this study are customers who actively use mobile banking services from Sharia banks in Indonesia, with a total sample of 202 respondents. The research results show that effectiveness and security do not influence customer satisfaction who use Sharia Bank mobile banking services in Indonesia, while convenience has a positive and significant influence on customer satisfaction. Simultaneously, effectiveness, convenience and security have a significant effect on customer satisfaction of Shariah Bank mobile banking users in Indonesia. Sharia Bank in Indonesia must maintain its mobile banking service and features to stay relevant in the industry.

Keywords: Effective, Convenience, Secure, Satisfaction, Mobile Banking

INTRODUCTION

Currently, the existence of technology is developing in various fields, including the economic sector. Its use is not only aimed at making work easier but has become a human need in everyday life because with technology all forms of activities can be carried out quickly and without limits. Technological developments in Indonesia are evidenced by the increasing number of technology users, especially smartphones. Banks are one of the industries most affected by developments in technology and information systems. Banking information technology is the technology used in processing financial data and/or banking services. Banking information technology has many benefits for banks and customers, such as improving the efficiency, quality, and security of banking services.

More than 70 banks operating in Indonesia are registered as members of Perbanas (Perhimpunan Bank Nasional/National Banks Association) Indonesia. The bank provides services using technology by providing Mobile Banking. 87.2% of the Indonesian population is Muslim (Kemenag, 2020). With the existence of Sharia banks, the main spirit is the same as Islamic teachings, namely avoiding usury. So, research on Sharia Bank's scope is relevant to conduct in Indonesia. Several Sharia banks in Indonesia currently operating consist of Bank Syariah Indonesia, BCA Syariah, Bank Muamalat, Bank Syariah Bukopin, Bank BTPN Syariah, Bank Permata Syariah, Bank Panin Dubai Syariah, Bank Mega Syariah, Bank Victoria Syariah, BJB Syariah, Bank Nano Syariah, and Bank Riau Kepri Syariah (Perbanas, 2024). In the Islamic banking system, there is no interest system, thereby minimizing transactions that contain usury. In exchange, the bank will provide a profit-sharing ratio based on the company's financial development. As one of the institutions in the Sharia economic industry and using information services, Sharia Bank is aware of the importance of being involved in increasingly sophisticated technology that will make it easier for customers to make transactions.

Customer satisfaction will be influenced by Mobile Banking as a service facility provider. The more diverse the service facilities provided and the benefits that are more in line with customer needs, the more satisfied customers and the banking industry will be. Customers who are quite busy will find it helpful with Mobile Banking service facilities. Users can access financial and non-financial services such as credit purchases, money transfers, bill payments, PIN changes, balance information and other transactions. Despite the many benefits felt from Mobile Banking service facilities, this service is also not free from risks that are detrimental to customers. The risks or problems that are often experienced by customers using Mobile Banking (M-banking) are in terms of understanding the program, starting from difficulties when logging in to the m-banking application. Then you ran out of credit when making a call to the call centre because the OTP code was wrong, and the call was disconnected so you had to make multiple calls. Problems due to application errors, such as when the top-up process suddenly occurs, the application errors and the balance are not entered, but when you check the balance in M-Banking it has been deducted. The application also often experiences bugs, times out, and transactions cannot be processed.

Based on the problem formulation that has been described previously, it can be seen that this research aims to determine the effect of effectiveness on customer satisfaction when making transactions using Sharia Bank Mobile Banking in Indonesia, knowing the effect of convenience on customer satisfaction when making transactions using Sharia Bank Mobile Banking in Indonesia, knowing the effect of security on customer satisfaction when making transactions using Sharia Bank Mobile Banking in Indonesia, and knowing the effect of effectiveness, convenience and security simultaneously on customer satisfaction when making transactions using Sharia Bank Mobile Banking in Indonesia.

LITERATURE REVIEW

The mobile banking application is a form of online and innovative service provided by banks that allows customers to carry out banking transactions via cell phones or other digital media. Banking transactions that are usually done manually can now be done via mobile phone. This means that banking activities that customers carry out by visiting the bank directly can now be carried out by simply accessing mobile banking. Mobile banking applications in Sharia banking in Indonesia have functions, both financially, spiritually, and socially. Financially discussed, BSI mobile banking as a supporting tool helps customers carry out financial transactions, such as getting account information, transferring money, and making payment transactions, for example, internet services, electricity, education costs, and so on. Of course, this banking feature is equipped with Islamic menus such as donations, zakat, Hajj, prayer times and so on. To gather more customer to make Sharia banking account, customer satisfaction must be maintained.

This research examining the variable that consist of effective, convenience, secure, and satisfaction factors in using Sharia Banks mobile banking services in Indonesia. An effective variable consists of impactful, powerful, productive, useful, successful, and valid (Amelia & Jogiyanto, 2012). Convenience is the variable that has ATM network dimension, branches, friendly and professional staff, goodwill, after-sales service, and location (Jamshed & Uluyol, 2024). The secure aspect consists of (Dzidzah, Owusu Kwateng, & Asante, 2020). The satisfaction variable will talk about bank responsiveness, failure severity, and voice response (Sampaio, Ladeira, & Santini, 2017).

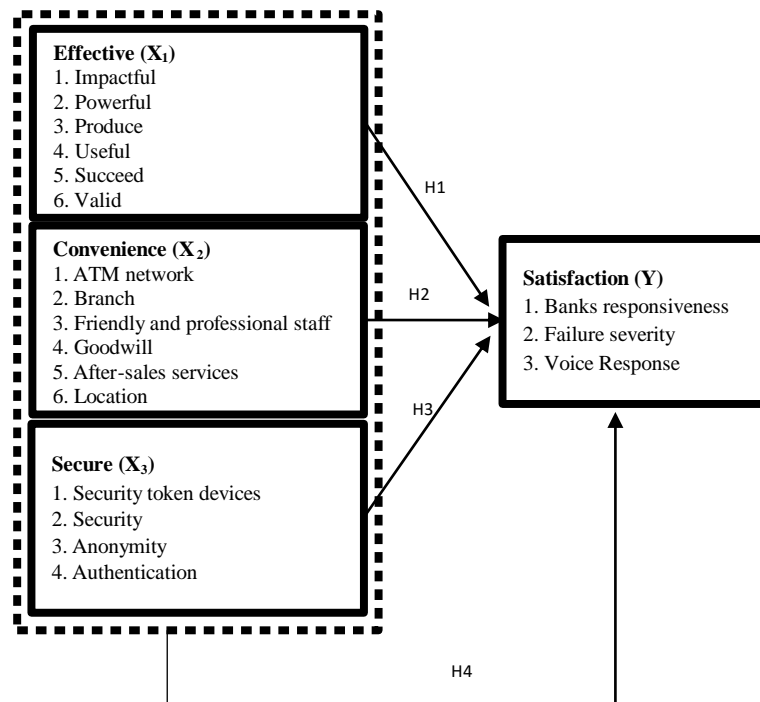


Figure 1. Research Model

The hypothesis statement consists of four items and is divided into partial and simulant relations.

H1: It is suspected that effectiveness has a significant effect on customer satisfaction when making transactions using Sharia Bank Mobile Banking in Indonesia.

H2: It is suspected that convenience has a significant effect on customer satisfaction when making transactions using Sharia Bank Mobile Banking in Indonesia.

H3: It is suspected that service security has a significant effect on customer satisfaction when making transactions using Sharia Bank Mobile Banking in Indonesia.

H4: It is suspected that the effectiveness, convenience and security of services simultaneously have a significant influence on customer satisfaction when making transactions using Sharia Bank Mobile Banking in Indonesia.

METHODOLOGY

The type of research used in this research is quantitative because this research was conducted to obtain the influence of Service Effectiveness, Convenience and Security on Customer Satisfaction in Transactions Using Sharia Bank Mobile Banking in Indonesia.

In this research, the population used is Sharia Bank customers in Indonesia. The part of the population that has certain characteristics is called a sample. respondents consisted of 202 respondents. The data collection technique used in this research is in the form of distributing questionnaires, namely several statements used to obtain the information that researchers need

from respondents. The data collection technique uses a questionnaire technique by providing or distributing a list of statements related to the object under study to respondents in the hope of getting a response to these statements. The Likert scale can be used to measure the attitudes, opinions, and perceptions of the target respondents regarding the social conditions being studied. In this study, a Likert scale with a score of one to five was used with the SPSS tool to process the data (Ghozali, 2021).

A validity test is a test used to show the extent to which the measuring instrument is used in measuring what is being measured. The validity test is used to measure whether a questionnaire is valid or not. A questionnaire is said to be valid if the questions in the questionnaire can reveal something that the questionnaire will measure. Reliability testing is useful for determining whether an instrument, which in this case can be used more than once, at least by the same respondent, will produce consistent data. Reliability testing was carried out on statement items in the questionnaire that were declared valid. The classical assumption test is an analytical model used by multiple linear regression. The classic assumptions in question consist of Normality, Multicollinearity and Heteroscedasticity tests.

Multiple linear regression analysis was employed to run the model. Multiple linear regression is a regression that has one dependent variable and two or more independent variables. This analysis is used to predict the rise and fall of the dependent variable if two or more independent variables are used as factors.

The Determination Coefficient Test is used to measure how far the model can explain variations in the dependent variable. The f-test is used to determine the regression coefficient simultaneously using the f-test criteria which is called the overall significance test. This t-test was carried out to see how much influence the independent variable partially has on the constant dependent variable. The t-test shows how far the influence of an independent variable is in explaining variations in the dependent variable.

RESULT

This research aims to analyze the Influence of effective, convenient, and secure mobile banking in Sharia Bank in Indonesia on customer satisfaction. So, the conclusions that can be drawn are as follows 1) The results of this research show that effectiveness does not influence customer satisfaction who use Bank Syariah Indonesia mobile banking. The effectiveness coefficient obtained was 0.068, indicating that increasing effectiveness is not influence increasing the satisfaction of Sharia Bank mobile banking customers in Indonesia; 2) The results of this research show that convenience has a positive and significant influence on customer satisfaction who use Bank Syariah Indonesia mobile banking. The effectiveness coefficient obtained was 0.000, indicating that increasing convenience will influence increasing the satisfaction of Sharia Bank mobile banking customers in Indonesia; 3) The results of this research show that security does not influence customer satisfaction who use Bank Syariah Indonesia mobile banking. The security coefficient obtained was 0.058, indicating that increasing convenience will not influence increasing the satisfaction of Sharia

Bank mobile banking customers in Indonesia. The uniqueness of the research result is all variables have simultaneously affected customer satisfaction.

1	Respondents	202 Sharia Bank customers in 2023-2024
2	Validity test	Question items passed the validity test
3	Reliability test	Cronbach's Alpha over 0.6
4	Normality test	One-Sample Kolmogorov-Smirnov Test shows sig. score over alpha (0.05)
5	Multicollinearity test	Variance Inflation Factor (VIF) score under 10
6	Heteroscedasticity test	Glejser test shows sig. score over alpha (0.05)
7	Regression formula	$Y = 8,646 + 0,073X_1 + 0,414X_2 + 0,175X_3$
8	t-test	X1 Sig. score 0.068 above 0.05, X2 Sig. score 0.000 below 0.05, and X3 Sig. score 0.058 above 0.05
9	f-test	Simultaneously sig. score 0.000 below alpha 0.05
10	Coefficient determination	Adj R ² 0.337

CONCLUSION

The effectiveness, convenience and security of transaction services using Sharia Bank Mobile Banking in Indonesia is interesting to discuss amidst the rapid technological developments that are affecting the Indonesian financial and banking industry. This research shows that during 2023-2024, Sharia bank respondents in Indonesia tended to be satisfied with convenient mobile banking services instead of the effective and secure transactions factor when examined separately. But, when Sharia banks provide efficient, convenient, and secure mobile banking services, customers will be satisfied which leads to the loyalty and customer number of Sharia banks in Indonesia. The banking industry is one of the industries that has rapid trending change. Banks must maintain their Internet banking service if they want to stay relevant in the industry.

This research is limited to respondents in the Jakarta area, the capital city of Indonesia. Customer literacy on banking mobile services is relatively the latest one. The generalization of this research is moderate that means that the result is dynamic over time. Decision-making in the long term cannot be counted on this research's particular result. For future research, adding and comparing the respondent response in different provinces will be interesting.

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Impact of Leadership Style, Organizational Culture and Job Satisfaction on Employee Performance in an Islamic High School Setting

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Beside science, Islamic school also provide students with faith and morals, so, the human resources within them are spearhead of the success of this mission, so employee performance is an important thing to pay attention to. This research seeks to find out about the influence of leadership style, organizational culture and job satisfaction on employee performance at Islamic educational institutions, where in this research a study was conducted at Madrasah Aliyah Annida Al Islamy, West Jakarta, by distributing questionnaires to 48 teachers and employees, then data processed using multiple linear regression analysis, so that you can see the influence of each independent variable on the dependent variable. The research results reveal that organizational culture and job satisfaction significantly influence employee performance, but leadership style does not. This research is novel in terms of the institution that is the object of research, where in general research in the field of HR is mostly carried out in companies, even though educational education institutions, have differences in terms of their mission to educate society with an approach that is in accordance with Islamic teachings, so that differ in their analytical approaches. It was found that Islamic educational institutions have human resources that uphold Islamic values, which ultimately influences employee performance.

Keywords: Education, school, working condition

INTRODUCTION

Education plays a crucial role in building and maintaining the development of a country. The quality and abilities of the next generation are determined by education, so they require support in the form of the best human resources. In an organizational context, human resources are the key element that determines operational success and goal achievement (Fitrianis, 2019). The success of an organization depends on effective human resources management, which influences its productivity and profitability (Siswanto & Hamid, 2017).

Employee performance is an important indicator in evaluating organizational success. Optimal performance, according to standards and supporting organizational goals, is what every organization strives for. However, there are various factors that can influence employee performance, such as job satisfaction, leadership style and organizational culture (Kamal et.al, 2019, Tampi, 2014). Job satisfaction, which involves aspects of the work environment, interpersonal relationship and rewards, has a significant role in improving employee performance (Sutrisno, 2019:74).

Leadership style is also an important factor that influences employee performance. An effective leader is able to provide direction, motivation and a good example, as well as being responsible for the performance of his subordinates (Hasibuan, 2016:13). Likewise, organizational culture, which includes the norms, rules and habits that apply within the organization, has a major impact on employee behavior and performance.

Despite its significance, studies linking leadership style, organizational culture, job satisfaction and employee performance in Islamic educational institutions are still limited. Therefore, this research aims to explore the relationship between leadership style, organizational culture and job satisfaction on employee performance, with a case study at Madrasah Aliyah Annida Al Islamy, Jakarta (high school level).

The aim of this research is to analyze the impact of leadership style, organizational culture and job satisfaction on employee performance at Madrasah Aliyah Annida Al Islamy. Through an in-depth understanding of these factors, it is hoped that it can provide valuable insights for school management in improving the performance and effectiveness of their organizations. Thus, this research will provide an important contribution in understanding the variables that influence employee performance in Islamic educational institutions, especially Madrasah Aliyah or Islamic senior high school which is expected to help decision making in human resources management and improve the quality of Islamic education.

LITERATURE REVIEW

Leadership style is a strategy or behavioral pattern used by a leader to influence, organize and manage his subordinates with a certain approach. Thoha (in Retnowulan, 2017) explains that leadership style is the behavior used by someone to influence other people to achieve goals. Lasmi (2016) added that leadership is the attitude of influencing other people to achieve the organization's vision. The importance of leadership is reflected in the verses of Al

Quran which emphasize the importance of fair and trustworthy leadership (QS. 2: 30, 4:59, 38:26).

Kurt Lewin divided leadership style into three types, namely autocratic, democratic and *laissez faire*. The autocratic leadership style relies on absolute power, while the democratic leadership style involves subordinates in decision making. On the other hand, the *laissez faire* leadership style gives subordinates the creativity freedom (Kartono, 2010).

Organizational culture, according to Wardiah (2016), is the rules in an organization that act as guidelines for organizational members in speaking, behaving and acting. Organizational culture reflects the values, norms and habits implemented by organizational members (Sutrisno, 2016, Wahab in Tobari, 2016). Robbins et.al (2019) identified seven characteristics of organizational culture, namely innovation and courage to take risks, attention to detail, results orientation, people orientation, group orientation, aggressiveness and stability.

The main function of organizational culture, according to Robbins et.al (2019), includes its role as a differentiator, identity, unifier and shaper of employee attitudes. Organizational culture also has indicators, such as self-awareness, aggressiveness and team orientation (Edison et.al, 2016).

Job satisfaction is a positive emotional state towards work and assessment of work results (Padmanabhan in Azhari et.al, 2021). Factors that influence job satisfaction including needs fulfil, differences between expectations and reality, and organizational culture (Afandi, 2018). Employee performance is the result of work or output that reflects the quality and quantity of works carried out (Mangkunegara in Fadri, 2017). Factors that influence employee performance including personal, readership, system and contextual factors (Enny, 2019).

Employee performance appraisal has objectives such as improving performance, adjusting compensation and career development (Werther & Davis, 2014). Performance assessment indicators including loyalty, work performance and responsibility (Djunaedi, 2017).

Previous research shows that job satisfaction influences employee performance (Azhari et.al, 2021). Motivation, company culture and leadership style also contributed to employee performance (Tafsir, 2019, Fitriani & Aprilia, 2019, Andayani & Tirtayasa, 2019, Saputra et.al, 2017).

Considering the various theories and previous research results above, leadership style, organizational culture and job satisfaction have a significant impact on employee performance. In this research, it was conducted on these variables at Islamic schools, in this case Madrasah Aliyah Annida Al Islamy, to see whether this also applies to Islamic education organizations, as in companies and financial institutions in previous studies.

RESEARCH METHODOLOGY

This research uses an associative method with a quantitative approach which focuses on measuring the influence of leadership style, organizational culture and job satisfaction on the performance of Islamic school employees, in this case taking the sample namely Madrasah

Aliyah Annida Al Islamy, which is located in West Jakarta, in April 2022, or towards the end of 2021/2022 school year, with a data collective instrument in the form of a questionnaire distributed to all employees and teachers at the school. Thus, this research uses three independent variables, namely Leadership Style (X_1), Organizational Culture (X_2), Job Satisfaction (X_3) and Employee Performance (Y), as seen in the research framework (Figure 1).

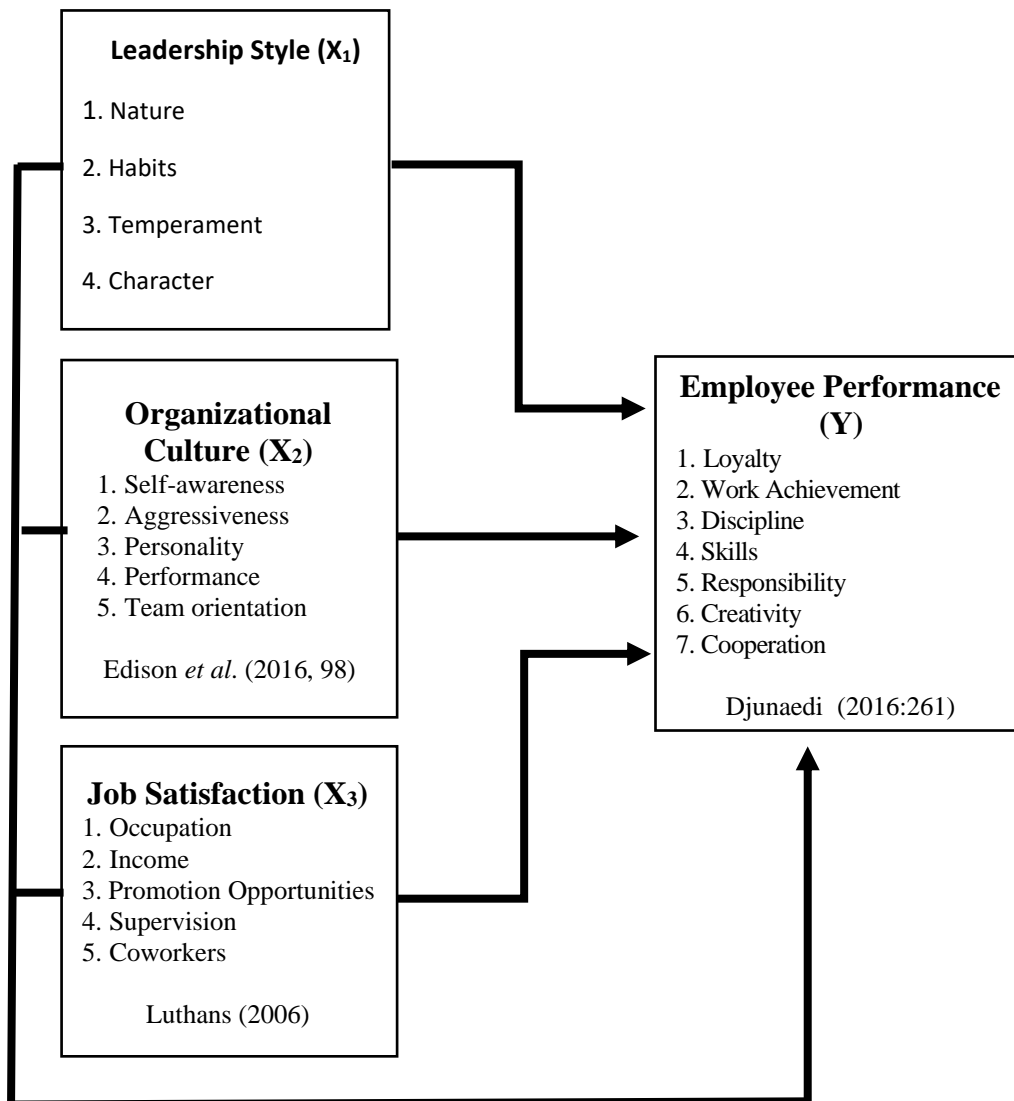


Figure 1. Research Framework

According to Sugiyono (2007:3), a research variable is an attitude or characteristic or value of a person, object or activity that has differences, both in perception and point of view, determined by the researcher to be studied, analyzed and conclusions drawn. Variables must be defined clearly based on the description in the theoretical study. The following is the definition of each variable in operational variables.

Table 1. Operational Variables

No	Variable	Operational Definition	Indicator
1.	Leadership Style (X1)	Leadership style is a strategy or behavioral pattern that a leader uses to influence, organize and manage his subordinates with a certain approach Abbasi (2018)	<ul style="list-style-type: none"> • Characteristic • Habit • Temperament • Character • Personality Kartono (2010)
2.	Organizational Culture (X2)	Organizational culture is a system of values, beliefs and habits in an organization that are agreed upon and implemented to interact with each other among members of the organization whose aim is to provide solutions to every problem which can ultimately provide benefits to the organization. Wahab in Tobari (2016:49)	<ul style="list-style-type: none"> • Self-awareness • Aggressiveness • Personality • Performance • Team orientation Edison <i>et al.</i> (2016)
3.	Job Satisfaction (X3)	Job Satisfaction is a feeling of pleasure enjoyed at work because of obtaining work results, placement, treatment, income and a good work environment Damayanti dkk., (2018)	<ul style="list-style-type: none"> • Occupation • Promotional opportunities • Supervision • Work colleagues Luthans (2016)
4.	Employee Performance (Y)	Performance is defined as the result or achievement of a person's work within a certain period of time as a whole in carrying out their duties and then compared with various characteristics such as standards of work results, targets, goals or criteria that have been determined and agreed upon previously. Djunaedi (2017)	<ul style="list-style-type: none"> • Faithfulness • Work performance • Discipline • Proficiency • Responsibility • Creativity • Cooperation Djunaedi (2017 : 82)

Data collection was carried out through a questionnaire instrument distributed to all employees and teachers of Madrasah Aliyan Annida Al Islamy, a total of 48 people. The data was processed using multiple linear regression analysis with the help of IBM SPSS Statistics 25 software. Data analysis involved data quality testing, reliability testing and classical assumption testing.

Quality testing consists of validity testing and reliability testing. The validity test is carried out to ensure the appropriateness of the list of questions in defining variables, while the reliability test is used to measure the stability and consistency of respondents in answering questions. As a result, all variable were declared valid and reliable, so that all indicators underlying the questionnaire questions were suitable to use in this research.

RESULT AND DISCUSSION

Madrasah Aliyah Annida Al Islamy Jakarta was founded on the initiative of Annida Al Islamy alumni in 1981, with recitation as the starting point. Founded in Rawa Buaya, the study developed into a formal madrasah in 1982, with the first head of the madrasah being KH Abdul Mubin. Subsequently, the madrasah developed and moved to the Duri Kosambi area in 1984. Now the madrasah stands under the Shiraturrahim Foundation with an accreditation rating of A or Excellent.

MA Annida Al Islamy's vision is to create students who have noble character, knowledge skill and achievement, based on faith and piety, while its mission includes aspects of contribution to participate in educating society, forming a generation of Muslim who are scientifically minded and have good morals, as well as preparing the next Muslim generation who are ready to become leaders.

Based on the research results, data was obtained from 48 employees and teachers of MA Annida Al Islamy with the characteristic that in terms of gender, the number of men and women was quite equal, namely 54,2% versus 45.8%, with the majority aged 26-35years, namely 52%, as well as recent work experience, namely 1 to 5 years (48%), with the majority of respondents being teachers (85.4%).

Based on the classical assumption test, it is stated that in accordance with the normality test, the distribution of employee performance data meets the normality assumption, likewise there is no multicollinearity between the independent variable in the regression model, and there is no heteroscedasticity in the regression model.

Table 2. Multiple Linear Regression Results

Based on multiple linear regression analysis, the resulting multiple linear regression equation

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	30,441	9,188		3,313	,002
	LEADERSHIP STYLE	-,259	,197	-,202	-1,311	,197
	ORGANIZATION	,619	,265	,394	2,339	,024
	CULTURE					
	JOB SATISFACTION	,338	,167	,322	2,030	,048

a. Dependent Variable: EMPLOYEE PERFORMANCE

is:

$$Y = 30,441 + (-0,259) X_1 + 0,619 X_2 + 0,338 X_3 + e$$

With the interpretation that X_1 or leadership style has a negative effect on variable Y or employee performance, X_2 or organizational culture is the variable that has the greatest influence on employee performance, while job satisfaction also has a positive effect on employee performance.

Inline with these results, based on the t test it turns out that leadership style has no effect on employee performance, while organizational culture and job satisfaction both influence employee performance. However, based on the F test, the whole independent variables together jointly influence employee performance.

Table 3. Results of F Test

ANOVA^a

Df	Mean Square
3	138,170
44	21,920
47	

a. Dependent Variable: EMPLOYEE PERFORMANCE

b. Predictors: (Constant), LEADERSHIP STYLE, ORGANIZATIONAL BEHAVIOR, JOB SATISFACTION

Thus, leadership style does not have a partial effect on employee performance, but collectively has an effect together with other independent variables on employee performance. However, this does not negate the importance of the leader's role in providing direction, motivation and support to employees to achieve organizational goals.

Organizational culture shows a significant influence on employee performance. A strong and positive organizational culture can create a motivating work environment, facilitate collaboration and encourage innovation. Based on the research results, the indicators with the highest values in organizational culture are matters related to discipline and service. These two good things have been embedded into the employee work culture to always do the best with dedication and the desire to provide the best for all parties related to the school.

Inline with the results obtained on organizational culture, job satisfaction has a positive and significant influence on employee performance. Employees who are satisfied with their jobs tend to be more motivated, loyal and committed to the organization. Two prominent indicators of job satisfaction are achieved in employee relationships with work dedication and mutual respect between employees and teachers at this school.

These things are in accordance with the characteristics of the school as an Islamic educational institution that teaches knowledge and morals, proves the practice of its teachers and employees towards Islamic values that prioritize good interpersonal relations and respect to guests and students at school, as Allah's commandment is to act fairly. And do good, provide assistance to relatives and prohibit evil acts (QS 16:90), as well as guidance to honor guests (Hadith of Bukhari Muslim). In fact, teachers also believe in the teachings of virtues of those who spread knowledge (QS 58:11).

CONCLUSION

Based on the research results, it was concluded that leadership style does not have a significant influence on employee performance partially, but leadership style remains an important element related to the leader's role in motivating and shaping organizational culture and job satisfaction, so that in the end it also influences employee performance.

Organizational culture shows a significant influence on employee performance, where a strong and positive culture is able to create a motivating work environment, facilitate collaboration and encourage innovation. This is in accordance with Islamic values which emphasize the importance of discipline, service and good interpersonal relationships.

Job satisfaction also has a positive and significant influence on employee performance. Employees who are satisfied with their work tend to be more motivated, loyal and committed to the organization. This is in line with Islamic values to do good, help others and honor guests. The attitude of mutual respect between employees and teachers as well as high dedication to work reflects the practice of Islamic values in daily life at this school which teaches Islamic knowledge and manners.

The limitation of this research is that the data used is data from 2022, at that time it was still in the atmosphere of the Covid-19 pandemic, which could have had a different number of respondents and results if it had been carried out in 2024, when the majority of schools in Indonesia already had offline teaching method.

In the future, more extensive research is needed, involving several Islamic schools at the same time and in different locations to be able to see more comprehensive results. Apart from that, research is also needed to see how much a leader's role is in employee performance, both directly and through other variables. In relation to this article, this means how much leadership style influences employee performance through its role in building organizational culture and employee job satisfaction.

The last part concludes the results of the study and the limitations related to the methodology used, availability of data, as well as recommendations and comments for future

research. It includes the main research findings. Conclusions are only original contribution of the paper to the field of study. It indicates the value of research and the material presented. It should be a strong recapitulation of major ideas of the paper.

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Exploring The Map of Collaboration Between Islamic Banks, Fintechs and SMEs: A Bibliometric Analysis

Tika Kartika

This study aims to map and visualize the development, conceptual structure, and theme evolution of research articles on Islamic banking, fintech, and SMEs (from now on referred to as IB, F, and SMEs). Method To conduct the review, we analyzed 288 journal articles from Scopus research publications, with 683 authors. We use bibliometric analysis to examine the literature and transmit the material gathered to compare the present state of the subject and suggest future research and policy. Six significant research themes namely banking, Islamism, financial system, financial crisis, and financial services determine the pattern in knowledge development among IB, F, and SMEs. The next group of themes is linkage with the macroeconomics field (e.g government approach, capital market, policy making) and social aspect (such as corporate social responsibility and environmental economics). The results of the intellectual framework reveal that the themes of IB, F, and SMEs have developed over time as interdisciplinary fields. 10 countries produce the most related topics, however, the 10 most influential authors are based on the H-index and citations come from the UK and Malaysia only. More collaboration between international authors is needed to improve the dissemination of knowledge. While SMEs do not appear in the Word cloud, research that links them with IB and F is recommended to be carried out in the future. Novelty The pattern in knowledge development and intellectual framework of IB, F, and SMEs fields.

Keywords: Islamic Banks, Fintechs, SMEs, Collaboration, Bibliometric Analysis

INTRODUCTION

Fintech has become much more prevalent and has an impact on the banking industry in Indonesia, notably Islamic banking. Fintech's technology capabilities allow it to offer better financial services than Islamic institutions. Digitalization has led to a rise in fintech, which makes information faster, cheaper, and more accessible than traditional means. Fintech could have an impact on banks and other financial institutions already in place, particularly with the creation of new business models. By the end of this century, more than one-third of bank loans will come from fintech companies. According to research, fintech disrupts Islamic banking, as evidenced by its ability to capture the millennial consumer segment and high return on assets. Positively, the two can work together by pooling their resources for lending, transaction services, and product promotion (Zuhroh, 2021).

Financial inclusion is an issue that the government and other stakeholders are promoting. One of the main targets of financial inclusion is SMEs. Some indicators of financial inclusion are access, usage, and quality. SMEs, Small & Medium Enterprises) are one of the backbones of the economy in Indonesia. The findings revealed that Islamic banking in Indonesia is still not ideal for providing credit to SMEs. Islamic banking may improve access to SMEs in a variety of methods, such as growing the Financial Technology (Fintech) System, expanding Islamic banking agents, and strengthening engagement with MSME stakeholders(Ahyar, 2019).

According to a report on Islamic fintech research trends, FinTech can be integrated into Islamic finance to help unbanked SMEs. FinTech's use in Islamic finance will assist the government in achieving the Sustainable Development Goals (SDGs) for a sustainable nation, as well as in boosting financial inclusion and combating financial crises like COVID-19. The primary barriers to the growth of fintech in Islamic finance, however, are a lack of regulatory frameworks and financial knowledge(Alshater et al., 2022).

Given this context, it's critical to understand how these three significant economic actors collaborate to build mutually advantageous relationships. This study aims to map and visualize research articles' development, concept development structure, and theme evolution on IB, F, and SMEs.

Research questions

- (1) What are the most significant journals and authors in the fields of Islamic banking, fintech, and SMEs?
- (2) What is the intellectual framework of the research community?
- (3) What are the cooperation networks between Islamic banks, fintech companies, and SMEs?
- (4) How have the concepts of Islamic banks, fintech, and SMEs evolved, and what are the most pressing concerns in recent research?

Research Objective:

- (1) To discover the trends or patterns in knowledge development among Islamic banks, fintech, and SMEs.
- (2) To study the intellectual framework of the research community
- (3) To reveal the most pressing concerns in recent research and suggestions for future research.

LITERATURE REVIEW

The Role of SMEs

Small and medium enterprises (SMEs) play an important role in the development and growth of the world economy. SMEs' contribution to economic and social conditions is not matched by the availability of bank financing facilities necessary for their growth and business sustainability. Bank financing in the UK in July 2017 was 17% for SMEs and 83% for large corporations. In Asian countries, SMEs accounted for 18.7% of total financing. After the global financial crisis, banks tend to avoid financing SMEs due to high-risk (ADB, 2019) (Lu et al., 2020).

The contribution of SMEs to GDP and job creation in developed and developing countries is substantial. In developing countries, SMEs contribute 45% of employment and 33% of GDP. In developed countries, SMEs contribute almost 64% of GDP and 62% of employment. The majority of enterprises in MENA are SMEs, which are estimated to number 19–23 million in both the formal and informal sectors and constitute 80%–90% of total businesses in most MENA countries. (IFC, 2021).

Islamic Banking and Fintech to SMEs

Based on Sharia Banking Statistics in October 2019 (OJK, 2019; Islam et al., 2021), Islamic bank financing is still dominated by consumptive rather than productive financing. SMEs support the economy in Indonesia. Efforts to increase the productivity and quality of SMEs require a lot of capital accumulation so that SMEs can grow large. It takes willingness and encouragement from Islamic banks if they want to make SMEs a priority for financing. Islamic banks need partners who can be used as economic drivers for SMEs. Islamic banks cannot play a single role in fulfilling capital needs in the form of financing. Currently, Islamic financial instruments have grown with various products. One of them is financial technology (fintech), which already exists with a variety of products. Investment activities through Islamic fintech are one of the economic activities that can push the growth of the real sector (Islam et al., 2021)

The issue surrounding SMEs is the lack of funding and their low access to banking services. Financial inclusion is a way to get proper access to financial and sustainable services needed by vulnerable groups, such as vulnerable communities and low-income communities. The emergence of Islamic banks does not necessarily solve the problems of SMEs. The existence of FinTech is expected to be able to provide solutions to capital problems and financial trials faced by SMEs for business continuity (Budiarti & Jannah, 2022).

The synergy between Islamic banks and Islamic fintech is a great opportunity for the development of MSMEs in Indonesia. This is due to the gap in capital support between the two

entities. The benefits of this synergy include increased public choice of financing, increased productivity and competitiveness, product innovation, and improved financial education. However, the challenges include regulatory support, the availability of competent human resources, internet network infrastructure, and community outreach. In addition, the Islamic banking industry still dominates, as do other financial institutions (Haris et al., 2020).

RESEARCH METHODOLOGY

This study's methodology combines bibliometric analysis with an in-depth literature review (Kraus et al., 2021; P. et al., 2023) to provide a holistic picture of current collaboration between IB, F, and SMEs.

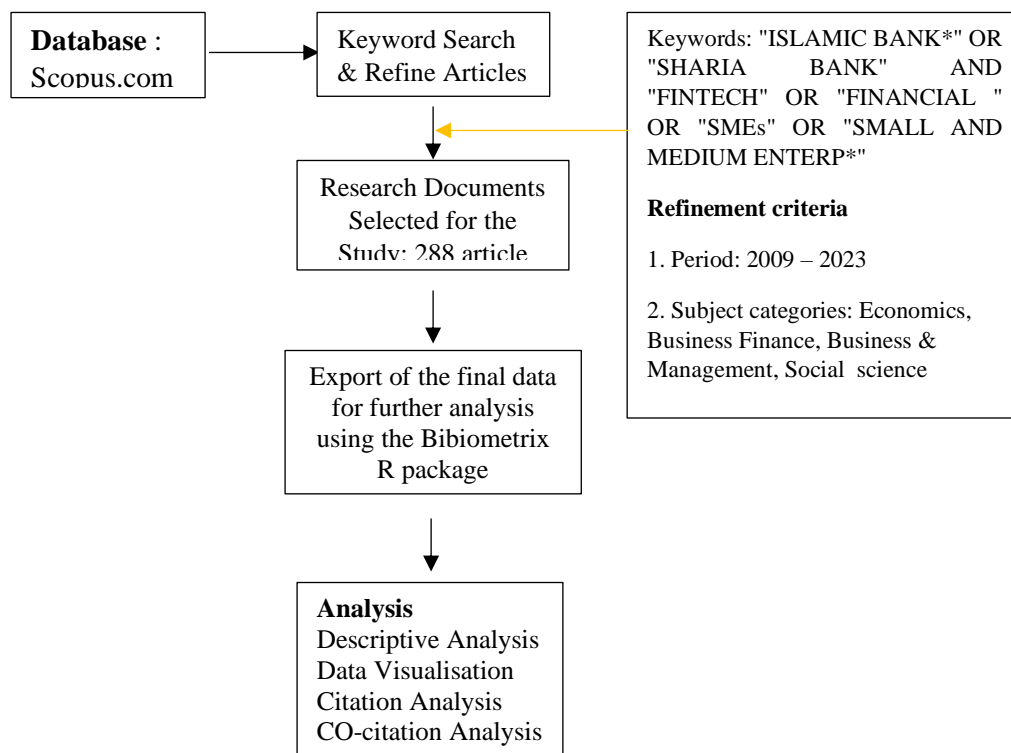


Figure 1. Research Design

Based on similarities identified during the descriptive analysis of existing structures and conceptualizations, we suggest a framework consisting of first-level concepts, second-level themes, and aggregate measures. We use bibliometric analysis to analyze the literature and personally transmit the retrieved literature to compare the current state of the subject and propose future policies and research (Donthu et al., 2021; Thomas, 2022).

According to (P. et al., 2023) A well-executed bibliometric study can advance a field by providing scholars with a (1)comprehensive overview, (2) identifying knowledge gaps, (3)generating original research questions, and (4)articulating their intended contributions.

RESULT AND DISCUSSION

The first stage of bibliometric analysis is descriptive performance analysis. This performance analysis reveals the contribution of research constituents to a particular subject. Some of the performance metrics measured are joint citations, country collaboration, citations per publication, and the impact of the work of authors who will answer Research Question No. 1 (RQ1).

Table 1. Result

Main Information	Data
Timespan	2009:2023
Sources (Journals, Books, etc)	124
Documents	288
Annual Growth Rate %	32.05
Document Average Age	4.24
Average citations per doc	19.26
References	15130
Document Contents	
Keywords Plus (ID)	95
Author's Keywords (DE)	727
AUTHORS	
Authors	682
Authors of single-authored docs	31
Authors Collaboration	
Single-authored docs	39
Co-Authors per Doc	2.85
International co-authorships %	37.5
Document Types	
article	288

Table 1 provides an overview of the bibliometric data structure of the 288 documents. Selected through a set of systematic search queries on the Scopus.com database. These documents were published in 124 sources with an average citation score of 19.8 and a collaboration index of 2.85, indicating substantial research in the period. collaboration index

of 2.85, indicating substantial past research with collaboration among researchers. Co-authorship with overseas researchers is 37.5%. The growth in the number of research projects per year is high, at 32.05% per year.

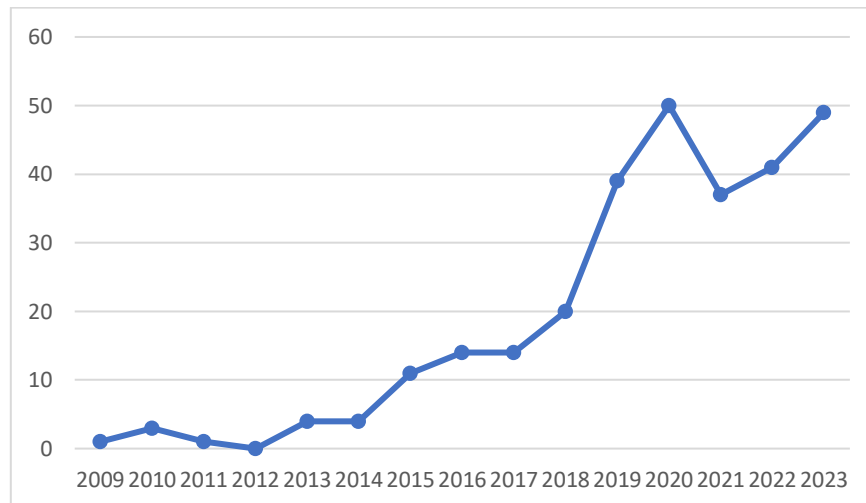


Figure 2. Annual Scientific Production

Research productivity over the period 2009–2023 shows an increasing trend (Figure 2). The number of studies jumped sharply from 2018 to 2019 due to the rapid development of digital technology in finance and banking. In 2018 (Mutiasari, 2020) there was a phenomenon that showed digitalization had an impact on all sectors, including the banking industry. Data shows that customer savings increased from 24% in 2014 to 36% in 2018. Similarly, mobile banking users grew from 28% in 2014 to 30% in 2018. From the beginning of 2020 to the end of 2021, the number of researchers decreased due to the COVID-19 outbreak. Then, in 2022–2023, the interest of scholars in research in this field increased again.

Table 2 contains information about countries and the number of articles produced based on the origin of the first author. However, 37.5% of articles are the result of collaboration between countries, also known as international co-authorship. For example, between Malaysia and the UK or Bangladesh and Saudi Arabia. Collaboration research results involve more data and produce a more diverse analysis. Research by (Aysan et al., 2018; Deluca et al., 2014; Gómez et al., 2022; Hamidi & Salahudin, 2021; Hassan et al., 2022; Husseini et al., 2019; Pooley, 2020; Silalahi et al., 2020; Tanev & Sandstrom, 2020) are examples of research on IB, F, and SMEs, which is an international co-authorship.

Table 2. Country Name and Number of Articles Produced

Country	Article	Country	Article
Australia	6	Pakistan	26
Bahrain	8	Palestina	3



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	Bangladesh	11	Qatar	2	
			Saudi		
	China	1	Arabia	18	
	Egypt	6	Somalia	2	
			South		
	India	2	Africa	1	
	Indonesia	77	Tanzania	3	
	Italia	6	Tunisia	3	
			Turkey	14	
Figure	Jordania	5	UAE	8	3 shows the 10
countries that have	Kuwait	1	UK	24	the highest
production of article	Malaysia	45	USA	5	titles. These countries
are dominated by	Nigeria	3	Yaman	4	countries with a
Muslim majority	Oman	3	Yunani	1	population, but in 4th
and 9th place appear					the UK and Australia,

which are Muslim minority countries. According to Ghozali et al. (2021), Islamic economics was first implemented in England after the crisis that hit Europe and then also had an impact on the British economy. One of the things(Ghozali et al., 2021) that Britain then did was, in 1982, establish Dar Al-Maal Al-Islami (DMI) in London and mobilize investment funds for Luxembourg investment companies and Luxembourg takaful companies. Still, in the same year, the Central Bank of England, better known as the Bank of England (BOE), permitted Al-Baraka Bank to operate in England. In the field of Islamic economics education, Loughborough University became the first Western university to recognize and adopt a Master's level Islamic banking and finance learning system in 1995. The next breakthrough was the establishment of the Islamic Bank of Britain in 2004. Britain then made a breakthrough by issuing sukuk in England amounting to 200 million pounds sterling in the same year. This is a glimpse that can explain the development of Islamic economics in England.

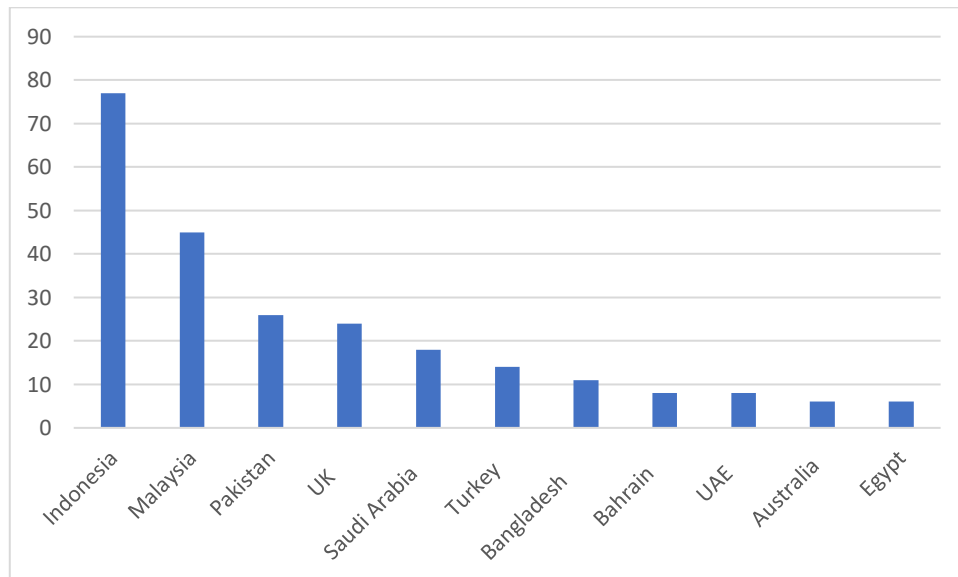


Figure 3. Top-ten Productive Country

10 countries produce the most related topics, including the top three, namely Indonesia, Malaysia, and Pakistan. However, the 10 most influential authors based on the H-index and number of citations come from the UK and Malaysia only. This is in line with (Sharma et al., 2023) that the world of IB and finance is a type of “small-world network” where a few authors and journals dominate the network and play a central role in the dissemination of knowledge. Figure 4 presents the top ten journals with the highest production of articles related to topics, namely Bank and Bank System, Journal of Islamic Monetary Economics, and ISRA International Journal of Islamic Finance. Bank and Bank System is a general journal in Ukraine (not an Islamic journal), while other journals do carry the Islamic name. It is quite an interesting phenomenon that general economics journals can also be productive in publishing journals in the IB, F, and SME fields.

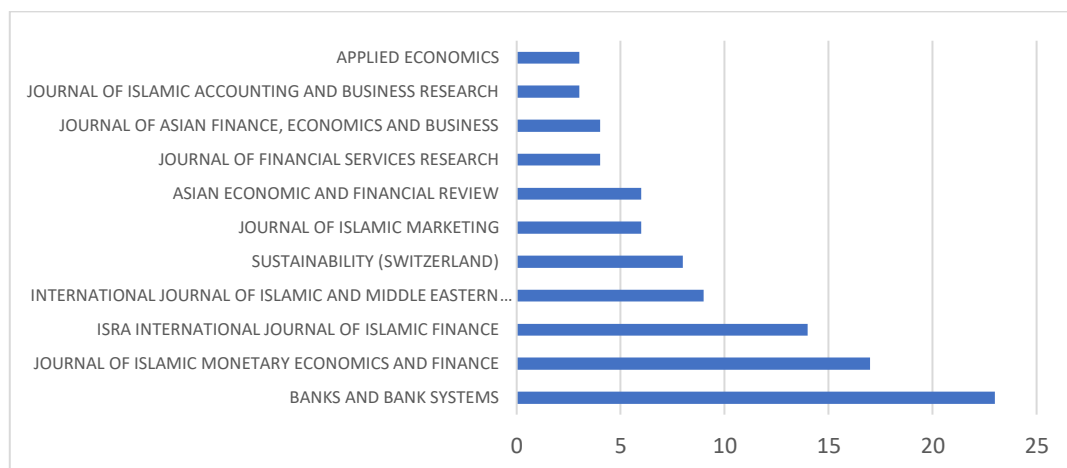


Figure 4. Most Productive Journal

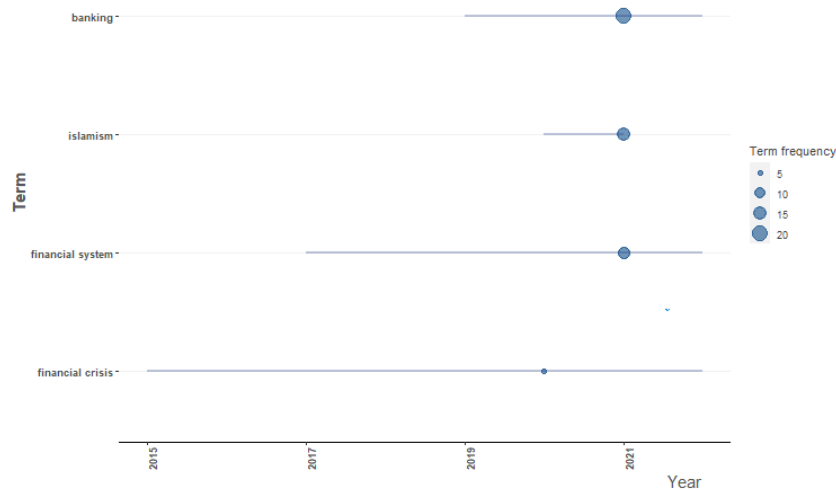


Figure 5. Trend Topics

The trend topic (fig.5) shows the range of years and the size of the nodes illustrates how frequently the topic appears in the articles. The topic of banking appeared 20 times during the period 2018 to 2023. Banking researchers (Wang et al., 2023) from 2016 to 2023 modeled bank stability based on key financial indicators, considering four inputs: total assets, total liabilities, operating expenses, and deposits with four outputs, namely total loans, total revenue, and total profit. The researcher found that banks are experiencing turbulent times and operating in a very challenging economic and financial climate. These challenges include low interest rates, intense competition in the pricing of commercial and mortgage loans, and increasing operating costs from 2016 to 2023. These challenges make banking an interesting topic to research.

The topic of Islamism experienced a trend in the period 2020 - 2021 with the number of nodes 10 times. This is in line with the research (Maulina et al., 2023) Islamic finance has grown rapidly globally in recent years. In 2021-2022 S&P Global Ratings estimates that the Islamic finance industry will grow by 10%-20% contributed by the Islamic banking and capital market sectors, although on the other hand, social finance is still lagging. This phenomenon is expected to cause the topic of Islamism to become attractive and trendy during this period.

This financial system topic is expected to remain strong due to issues consistently maintained by the OJK, supported by intermediation, capital adequacy, and liquidity functions. Financial system health versus vulnerabilities and risks that increase the likelihood or potential severity of a financial sector crisis. (OJK & Departement, 2023). Meanwhile, the period between mid-2007 and early 2009, when global financial markets and banking institutions were severely strained, is known as the Global Financial Crisis (GFC). The collapse of the US housing market during the Great Financial Catastrophe (GFC) triggered a global financial catastrophe that spread from the United States to every country on the planet due to global financial system links. Many banks around the world incurred large losses and were forced to seek government aid to stay viable. The main industrialized economies had their deepest

recessions since the 1930s Great Depression, resulting in millions of job losses. Furthermore, the recovery from the crisis was much slower than in prior recessions that did not involve a financial crisis(Reserve Bank of Australia, 2009).

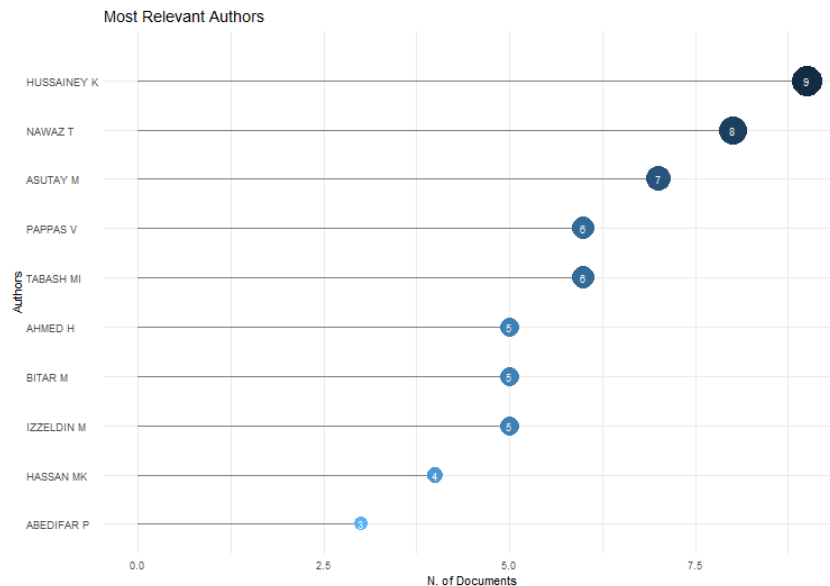


Figure 6. Most Relevant Authors

Authors. Hussaney K., Nawaz T., Asutay M., Pappas V., and Tabash M.I. are the most prolific authors with the most publications in the field (Figure). Hussaney has nine published articles in this field, while Nawaz follows with eight. Analysis of the authors' h-index also showed that Hussaney K., Nawaz T., and Asutay M. were the most impactful authors (Figure). Their research results are very important. These articles are important from the perspective of future research in this domain.

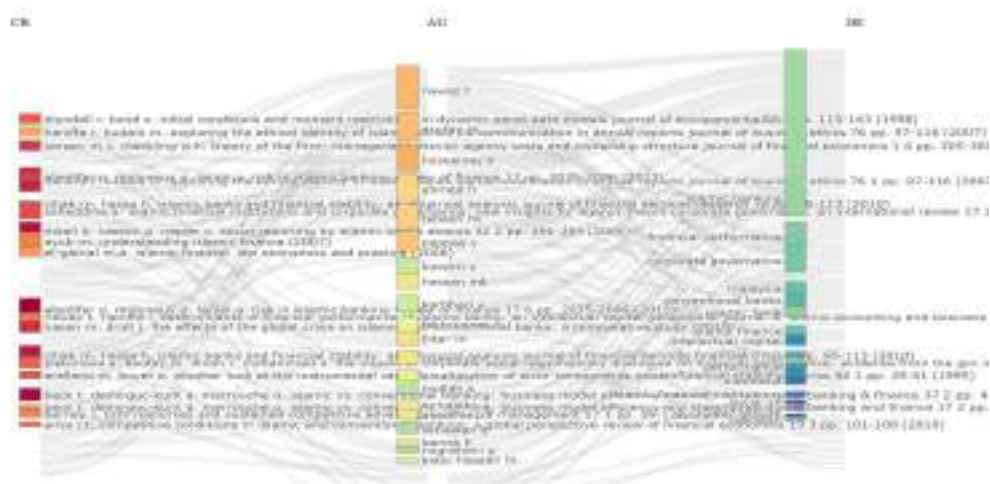


Figure 7. Three Field Plot

Three field plots illustrate the relationship between three fields using Sankey Plots. The explanation is that the size of each section is equivalent to the value of the node(Riehmnn et

al., 2015). The authors are on the left side of the Sankey Plot, the keywords are in the middle row, and the literature sources selected for analysis are on the right.

Table 3. Resume of three field plot

No	Author	Keyword	Source of Article
1	Hussainey K	Banking	Banks And Bank Systems
2	Nawaz T	Islamism	Journal Of Islamic Monetary Economics And Finance
3	Asutay M	financial system	Isra International Journal Of Islamic Finance
4	Pappas V	financial crisis	International Journal Of Islamic And Middle Eastern Finance And Management
5	Tabash Mi	financial service	Sustainability (Switzerland)
6	Ahmed H	developing world	Journal Of Islamic Marketing
7	Bitar M	financial market	Asian Economic And Financial Review
8	Izzeldin M	Pakistan	Journal Of Financial Services Research
9	Hassan Mk	performance assistant	Journal Of Asian Finance, Economics And Business
10	Abedifar P	policy making	Journal Of Islamic Accounting And Business Research

Each of the ten items depicts the most prolific author: Hussainey K, Nawaz T, Asutay M, Pappas V, Tabash Mi, Ahmed H, Bitar M, Izzeldin M, Hassan Mk, and Abedifar P. Ten prominent keywords such as *Banking, Islamism, financial system, financial crisis, financial service, developing world, financial market, Pakistan, performance assistant, dan policy making*. As well as ten journals that are productive in issuing related topics, namely: *Banks And Bank Systems, Journal Of Islamic Monetary Economics And Finance, Isra International Journal Of Islamic Finance, International Journal Of Islamic And Middle Eastern Finance And Management, Sustainability (Switzerland), Journal Of Islamic Marketing, Asian Economic And Financial Review, Journal Of Financial Services Research, Journal Of Asian Finance Economics And Business, and Journal Of Islamic Accounting And Business Research*.

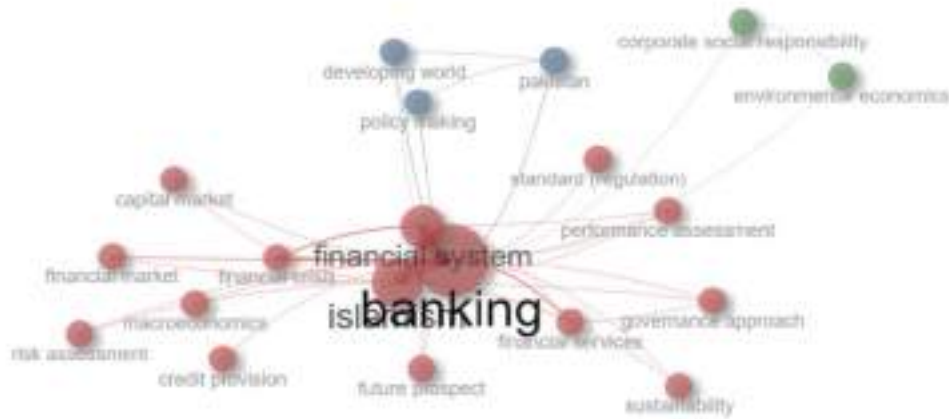


Figure 8. Co-word Net

Co-occurrence networks are developed using author keywords in the abstracts of research papers. In this network, we can learn more about the frequency of occurrence of keywords from research articles. Figure (8) presents the co-occurrence network of IB, F, and SME keywords. The size of the mesh links represents the frequency of each keyword, the thickness of the links illustrates the number of times a pair of keywords co-occurs in the research articles, the large links close to the center of the network indicate the ‘hotspots’ of research in this field (van Eck & Waltman, 2014). In general, the figure shows that IB, F, and SMEs are related to five main dimension groups, including banks, Islamism, financial systems, financial services, and financial crisis. This topic has been a trending topic in recent years.



Figure 9. Word cloud

An analysis of the frequency of keywords used in the article showed that the term ‘banking’ appeared 20 times, followed by the words ‘Islamism’, ‘financial system’, ‘financial

crisis', 'financial services', 'emerging markets', 'Pakistan', 'performance assessment', and 'policy-making'. The word cloud shown in Figure 12 is a visual representation of the frequency of words in the document as indicated by word size. It can be used as a proxy for the relevance of words in the literature. In addition, macroeconomic variables such as: 'capital market', 'future outlook', 'government approach', 'macroeconomics'. 'risk assessment', 'credit provision', 'capital' as well as social variables such as: 'environmental economics' and 'corporate social responsibility'. We can infer from this word cloud that these studies have explored various intervening variables to macroeconomic variables due to the nature of banking, Islamic banking, and fintech as the initial fuel of the economy. The collaboration of the two research keywords will trigger researchers to reach out to macroeconomic variables and social variables such as 'environmental economics' and 'corporate social responsibility'. It was also found that SMEs did not appear in the word cloud, so research linking them with fintech and Islamic banking is recommended for future research. According to (Islam et al., 2021) SMEs need easy access to technology services. While banks provide funds for SMEs, SMEs find it difficult to reach banks. Integration in the form of collaboration is needed to empower SMEs. Integration between Islamic commercial banks and Islamic fintech in developing SMEs needs to be done to improve financial access to the community.

CONCLUSION

Six significant research themes namely banking, Islamism, financial system, financial crisis, and financial services determine the pattern in knowledge development among IB, F, and SMEs. Research shows that in the early stages, the topic of Islamic banking relates to the financial crisis, in line with the crisis conditions that occurred in many parts of the world. The next evolution occurred with banking becoming a trend in discussing the integration of IB&F. In the next period, Islamism became an important topic. Along with the changing trend topics, the financial system finally emerged as a variable that connects IB, F, and SMEs. The next group of themes are linkage with the macroeconomics field (e.g. government approach, capital market, policy making) and social aspect. Social aspects are important in maintaining balance in society, so the topic develops to include indirect influences on social aspects such as corporate social responsibility and environmental economics

The results of the intellectual framework reveal that the themes of IB, F, and SMEs have developed over time as interdisciplinary fields. Research collaboration between countries is quite extensive, covering 37.5% of the issues. 10 countries produce the most related topics, including the top three, namely Indonesia, Malaysia, and Pakistan. However, the 10 most influential authors based on the H-index and number of citations come from the UK and Malaysia only. More collaboration between international authors is needed to improve the dissemination of knowledge.

The most significant journals in the fields of IB, F, and SMEs, that are productive in issuing related articles are Banks And Bank Systems, Journal Of Islamic Monetary Economics And Finance, Isra International Journal Of Islamic Finance, International Journal Of Islamic

And Middle Eastern Finance And Management, Sustainability (Switzerland) while Hussaney K., Nawaz T., Asutay M., Pappas V., and Tabash M.I. are the most prolific authors with the most publications in the field.

While SMEs do not appear in Word Cloud, research that links them with IB and F is recommended to be carried out in the future.

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Implementation of AI in the Lecture Process of Social Sciences Education Students at IAI Tazkia

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Artificial intelligence (AI) has been developing rapidly lately, including in the field of education. AI has made most human jobs easier, and Social Science Education students at IAI Tazkia are no exception. This research seeks to explore how students implement AI in their lecture process. We used a descriptive qualitative research method in conducting this research. The research data was collected through interviews with students enrolled in the Social Science Education programme. The questions asked related to students' experiences, frequency of use, and underlying reasons for using AI, as well as expectations, satisfaction, and impact of using the technology. In addition, privacy and ethical aspects were also discussed. This article presents findings related to students' experiences in using AI, both positive and negative, in completing coursework. Students stated that AI accelerated access to information, facilitated understanding of concepts, and helped with assignment completion. While some students found it helpful, there were also feelings of scepticism regarding the accuracy and impact of AI use on literacy and active engagement. We suggest a thoughtful approach to integrating AI technology, involving educational training, ensuring equitable accessibility, and increasing faculty engagement to support students' holistic learning. The results show that most students have used AI in carrying out their coursework, so the wider application of AI needs to be well implemented, especially in the realm of education.

Keywords: implementation, artificial intelligence (AI), students, education, lectures

INTRODUCTION

Artificial Intelligence (AI) is a term to describe machines or computer programmes that simulate human-like thought processes to execute specific tasks, either as robots or integrated in computing applications such as internet search engines and facial recognition technology on social media. Currently, AI tends to be narrow in nature, only capable of performing single or focused tasks such as facial recognition technology. In education, AI is still in its early stages of development, which requires educators to understand the knowledge base to teach and integrate AI effectively, thus empowering students to succeed in an AI-driven world. Teachers' understanding of the economic and social implications, educational potential, and ethical considerations of AI is crucial for learning about and with AI. In addition, there is an urgent need for the development of ethical, legal, and governance frameworks to ensure positive utilisation of AI and establish transparent processes for accountability at multiple levels, from the classroom to the school community and the entire education system (Southgate et al., 2019).

The existence of artificial intelligence (AI) in this world raises various views on its utilisation, including in the field of education. On the one hand, the integration of artificial intelligence with natural human intelligence unlocks the maximum potential in each individual, increases achievement, and expands access to information for students in the context of independent learning. Artificial intelligence aims to assist human work by using human-like thinking and reasoning frameworks, based on human commands. One of the main advantages in the application of artificial intelligence is its ability to make efficient, fast, and accurate decisions based on existing data (Arly et al., 2023).

AI has been widely used in the academic world, especially AI language models that are able to analyse various languages. In addition to analysis, this technology can make modifications and developments from the data provided by its users. Therefore, many academics use technology to help complete their tasks, including lecturers and students in their lectures.

One form of artificial intelligence utilisation in the context of lectures is through the use of artificial intelligence-based adaptive learning systems. By utilising artificial intelligence, the learning system can analyse and understand the individual needs of students. Artificial intelligence is able to personally assess the level of understanding, learning style, and learning preferences of each student (Putri et al., 2023).

Lecturers can utilise artificial intelligence systems to automate the grading of assignments, exams, and student work. This will not only save lecturers' time, but also ensure more consistent and accurate grading. AI systems can be used to collect, analyse and understand complex college data. Lecturers can use it to monitor student progress, identify patterns of learning behaviour, and evaluate the effectiveness of teaching methods. All these uses of technology help in designing more effective lecture strategies (Munandar et al., 2023).

Students at the Department of Social Studies Education, IAI Tazkia also use this technology to help them with their work. AI becomes a very helpful assistant for assignments, understanding new information and knowledge, even to the preparation of academic articles.

LITERATURE REVIEW

Pokrivcakova (2019) explains that “Artificial intelligence (AI)-based writing assistants (based on natural language processing and machine learning) help users through various steps in the writing process (fulfilled writing). Using AI systems, they correct grammatical errors in the written text (through continuous error analysis), give recommendations for further improvement, and provide additional resources for further study. In the foreign language classroom, these systems help learners go through the writing process independently, correct themselves, and think about the process itself. Using AI in this way facilitates self-regulation and learner autonomy.”

Some language model AI is of the chatbot type, which is a group of computer programs intended to simulate intelligent human language interaction. A human user and a computer (robot) engage in informal chat (in written or spoken form) using natural language (Pokrivcakova, 2019). Chatbots can be used as a tool for learning and practising languages. There are many advantages of having a chatbot as a conversation partner when learning a language, for example it can allow students to practise their language skills at any time, don't mind repeating the same material several times, can combine text and speech which might help students with their reading, writing and listening skills. (Roos S & Lochan R, 2018)

This is the language model of artificial intelligence that is often used by students. The conversation model and easy-to-understand language are the main attractions. Besides being useful for finding information, chatbots can also be interactive discussion partners.

It cannot be denied that the convenience and efficiency offered by this technology affects the lecture and learning process of students. Therefore, the question arises how the implementation of artificial intelligence in the lecture process of social studies education students at IAI Tazkia. In addition, the benefits and challenges that arise as a result of the implementation of AI in this context are also worth examining. Likewise, privacy and ethical aspects are important to discuss together.

RESEARCH METHODOLOGY

In this study, we used qualitative research methods, which are methods used to investigate natural object conditions. In this method, the researcher acts as the main instrument, data collection techniques are carried out through triangulation (combining various data sources), data analysis is inductive / qualitative, and the focus of qualitative research results is more on understanding meaning than generalisation (Nurdin & Sri Hartati, 2019).

Research data were collected by conducting interviews with students enrolled in the Tadris IPS study program. The questions asked related to the experience, intensity, and underlying reasons for students' use of AI, as well as the expectations, satisfaction, and effects of using the technology, as well as the privacy and ethical aspects that accompany it.

In addition to conducting interviews, we also collected data by conducting a literature study. This literature study was conducted by collecting previous studies, comparing them, and summarising them. That way, we can get more complete relevant data about this research.

RESULT AND DISCUSSION

Artificial intelligence has various definitions. It generally relates to a computer system that is tasked with performing a specific job. AI uses the enhanced capabilities of programs and software, such as algorithm-based machine learning, which gives machines the ability to perform various tasks that require intelligence and the ability to adapt to the surrounding environment (Chen et al., 2020).

The use of AI in IAI Tazkia's Social Studies Education lectures provides positive and negative experiences for students and female students in doing coursework. The positive experience of using AI in lectures is to find ideas or images of lecture material or in preparing presentation assignments. Students who use AI feel that the existence of this AI helps in doing coursework. The assistance provided by AI is to speed up getting information, which before the existence of AI to compile an assignment had to search on search pages such as google, microsoft edge, or firefox and then sort out the results of the search and have to summarise the discussion obtained, with this AI students feel facilitated and shorten the time in doing assignments. This presence increases curiosity and curiosity for some students because with AI we can have conversations and discussions so that it adds insight.

Most students feel that the positive experience gained from using this AI is that it helps them understand terms and words that are not understood or difficult to understand. Furthermore, students also feel facilitated by being helped to paraphrase an assignment so that they can avoid plagiarism. Some students feel helped by the presence of AI because they can do the assignment faster when the assignment is close to the deadline.

Although some students feel that the presence of AI provides a positive experience for them, on the other hand, there are also negative experiences that they feel. Not all existing AI can be accessed freely because to enjoy all features requires a premium account and must pay or subscribe. Then for the use of AI chatbots such as ChatGPT does not provide results or inaccurate answers where the credibility of the information cannot be proven. Some of the information provided by AI is also not based on the latest information, which provides information from sources that are more than two decades old.

The presence of artificial intelligence with the aim of making it easier also has a negative impact on students. Students who use AI feel helped by the presence of this AI, but it makes them lazy to look for other references so that they reduce their interest in reading so that literacy decreases. A small proportion of students are also less wise in using this AI because the main task is to help not do the entire assignment given by the lecturer to students, a small proportion of these students when getting answers or results from AI immediately enter into the writing of the assignment without doing a review. This makes students lack analytical and critical thinking skills.

Most students of the IAI Tazkia Social Studies Education Department have used artificial intelligence to help with coursework during lectures. However, from the research conducted, there are some students who do not use artificial intelligence in lectures. This student does not deny that artificial intelligence is part of the development of technology in the

era of globalisation so he is not against the presence of AI, but in his view the use of AI in lectures makes students pragmatic or want everything to happen instantly so that they do not get important lessons from the process of finding information independently. The second student who also does not use AI during lectures has the reason that he does not really know about this AI and does not want to find out either, because for him as long as he can search and do it himself he does not need AI assistance to do his coursework. Furthermore, the opinion of female students who do not use AI is because they feel less interested in using it in lectures and the main reason is that they have a fear that using AI will reduce their analytical and critical thinking skills, thus making their self-development less optimal.

The students who use AI are also divided into various categories. The first category is students who often use AI and the use is more general or almost in all courses, not depending on one particular course. The second category is students who often use it in almost all courses. The next category is quite often when they feel stuck and need references or ideas. The last category was rarely used but on several occasions had tried to use AI.

Some students do not use AI when they already have good knowledge in a course. The use of AI is also rarely used in courses related to maths or courses related to calculations such as fikih mawarits. Vice versa, students use AI a lot in courses related to theories to facilitate their understanding and also in history courses that require a lot of reading references.

The reasons for the students found by researchers so that they decided to use AI certainly have diversity and are not the same as one another. The most common reason is because the presence of AI today is to facilitate human work, so there is nothing wrong if students use AI as a tool to facilitate and help complete tasks in lectures. Most students feel that there is nothing wrong with using AI in lectures or helping with assignments given by lecturers, as long as AI does not completely take away our main task of doing the assignment. In this view, students feel that AI is only an assistant, where students still need to understand and look for other sources to strengthen the answers or results given by AI. So, AI only helps students get the main idea, overview, and details of the material being searched related to the task at hand.

Using AI is quite flexible, fast so that in doing assignments there is no need to read many articles, journals or books. So this makes it very easy for students, especially if the assignment deadline is close, using AI is the right solution to be used as an option. Not only in working on assignments in the form of papers, papers or essays, students use AI to help make PPT or to fill in presentation materials. However, students who use it like that say that they will still read from other sources to increase their understanding, so that when presenting they can convey it well.

Not only that, there are some students who use AI to add insight and find out unknown information. The results provided by AI are considered quite detailed, relevant, easy to understand and efficient in time, students do not need to open a book but just ask AI. In addition, AI also helps to paraphrase assignments and provide easy-to-understand examples for

difficult terms. Another reason is that as a generation Z that grows and develops with technology, it must be able to support technological developments.

The development of AI raises various reactions from its users, including among Tadris IPS students. They tried and tested the use of AI in the lecture process. In the experiments and tests, students revealed that some were satisfied with AI, but some were not satisfied with the technology.

The majority of students were satisfied with AI technology. This satisfaction arises because the answers given by AI to students' questions are appropriate and relevant. In addition, AI is very helpful in completing tasks owned by students. This finding is in line with what was revealed by Qodarullah et al (2023) that AI can be used to determine areas where students may have difficulty, and provide recommendations for adjusting materials or teaching strategies to overcome these problems.

However, there were some students who criticised AI regarding the answers she gave. There was disappointment from students who initially felt that the answer AI gave was quite promising. However, after being checked again by the student, it turned out that the information provided by AI had many errors and inconsistencies. This caused the credibility of the answer given by AI to decrease. Some students also think that the answers given by AI cannot be fully accounted for. Therefore, there is a need to recheck AI's answers.

In addition to the many students who felt that AI had met their expectations, there were students who felt that progress was less significant. It's fantastic appearance did make many people interested. This has resulted in a decrease in students' interest in AI.

AI has had a diverse impact on students' learning and engagement in the classroom. There are students who use AI as an idea generator. This is very helpful in starting a task. In addition, discussions with AI, especially chatbots, create a dimension of curiosity in students so that they are encouraged to find out more about the information provided. This is because the answers provided by AI can stimulate new questions.

Some students revealed that AI has increased their participation in class. With AI, students can search for a topic instantly. From the search results, they can get answers that can be used as material for discussion in class.

However, there are also students who feel that AI does not significantly affect their participation in class. Not all topics in lectures can be solved with AI. In Fiqh Mawarits (Inheritance Science) for example. It cannot necessarily be solved with AI because there are many variables that must be understood in depth in order to solve the problem.

Language model AI such as ChatGPT, BingAI, Quilbot, etc., which are often used by students provide answers in a language that is easy to understand. Easy language is one of the factors that can improve student understanding.

There are many journals with complicated language. In addition, language differences are also sometimes a problem for students. With the help of AI, the problem of complexity and language differences in difficult journals can be understood more easily.

It is not only a positive effect, some students argue that there is a risk behind the convenience it offers. The convenience and efficiency provided by AI can actually make students lazy, less literate, and reduce the intensity of interaction between lecturers and students.

We found different effects on students. Some with AI increase their curiosity, while others with AI increase their laziness. Some with AI read more, some with AI read less. Thus, we conclude that the effect of AI differs based on each student's personality.

Despite the many benefits, some students have concerns about privacy and ethics. They revealed that there were concerns about personal data being used to log into AI service provider websites. There were also concerns about leaking AI chats to third parties.

The students developed certain strategies to overcome these problems. Some deliberately set up special accounts to test AI websites. By using a secondary account, students felt secure about their privacy as it did not store any real personal information. Others minimise communication with AI to avoid the risk of data leakage.

Sharma (2019) highlighted several critical issues related to artificial intelligence in education that need to be addressed. First, control mechanisms are needed to ensure transparency in the collection, use, and dissemination of AI data. Second, there is a need to proactively develop codes of conduct and standards so that the benefits of AI in education can be obtained without harming humans or other entities. Third, it is important to ensure the privacy of learners and protect them from potential harm. Furthermore, awareness about AI needs to be raised so that individuals can protect themselves and take a critical stance when necessary. Finally, it is necessary to go beyond conceptual studies on AI in education and evaluate its success through quantitative, qualitative, or mixed approaches. This emphasises the need for concrete actions and thorough evaluation to optimise the positive impact of AI in the educational context.

CONCLUSION

The use of artificial intelligence (AI) in Tadris IPS IAI Tazkia lectures provides diverse experiences for students. Positively, the use of AI accelerates access to information, helps understanding of terms, and shortens time in doing assignments. Students find it helpful in finding ideas, designing presentations, and paraphrasing assignments to avoid plagiarism. However, there were also negative experiences that included limited access to premium AI features and inaccurate answers from AI chat boxes such as ChatGPT.

The importance of a thoughtful approach to AI use is reflected in the finding that some students tend to over-rely on AI, read less, and engage less in analytical and critical thinking skills. While many students found it helpful, some also felt there was no need to use AI if they already had sufficient knowledge in a course.

The variation in the use of AI, both in frequency and in specific courses, shows the complexity of students' behavioural patterns towards this technology. There are students who see AI as a flexible and quick tool, while others prefer to search for information independently.

In addition, the impact of AI on class participation also varied. Some students felt encouraged to search for more information, increase participation, and initiate discussions thanks to the interaction with AI. However, there were also those who felt that AI was not significant in some complex courses, such as Fiqh Mawarits.

To increase the use of artificial intelligence (AI) in Tadris IPS IAI Tazkia courses, it is necessary to conduct intensive training and education for students and lecturers. This education should include optimal utilisation of AI, validation of AI answers, and emphasis on the ethical use of this technology. It is also important to encourage the use of AI as a learning tool, not a substitute, by motivating students to keep developing analytical and critical thinking skills. Accessibility of AI needs to be guaranteed so that all students can access this technology without financial constraints. Regular evaluation and updating of AI algorithms should be done to improve the accuracy of answers. In addition, strategies should be devised to stimulate students' reading interest and active engagement, maintain data privacy, and actively involve lecturers in AI curriculum development. Continuous monitoring of the impact of AI use and evaluation of effectiveness should be implemented to ensure this technology makes a positive contribution to learning.

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Bridging Faith and Reason: Examining Sertu Concerns through Islamic and Scientific Lenses

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The examination of "sertu," a significant purification practice within Islam, from both Islamic and scientific angles, underscores its importance, especially in scenarios where water availability is limited. It entails purifying objects tainted by dog and pig waste. This investigation delves into sertu from Islamic and scientific perspectives, scrutinizing issues and distinguishing between sertu and samak. To fulfill the specified objectives, this research scrutinized scientific and Islamic literature sourced from academic journals, Dewan Bahasa Pustaka, and pertinent Malaysian guidelines for data collection. Furthermore, it analyzed the viewpoints of scholars representing major schools of thought such as Malikites, Shafiites, Hanbalites, and Hanafites. The researchers noted a dearth of scientific perspectives compared to Islamic ones. Additionally, a differentiation between sertu and samak arises, where samak pertains to the cleansing of animal skin using sharp instruments for specific purposes. The study concludes by advocating for further exploration to expand the discourse surrounding sertu from scientific standpoints.

Keywords: Sertu, Islamic, Science, Samak, Halal

INTRODUCTION

"Sertu," is one of the purifications methods that holds significant religious and practical importance for Muslims, particularly in situations where access to water is restricted or prohibited. In the debate of jurisprudence. Sertu involves purifying any part of the body affected by mughallazah faeces (from dogs and pigs) by cleaning it with water mixed with soil once, followed by rinsing it six times with clean water (Mohd Salleh et al., 2020). The concept of sertu, meaning "pure" or "clean" in Malay, plays a crucial role in both Islamic and scientific contexts.

Scholars and practitioners have long engaged in discussions and debates about the concept of sertu, which is central to Islamic teachings on ritual purity and cleanliness. The Quran and Sunnah provide a rich foundation for understanding sertu, with numerous verses and hadith highlighting the significance of cleanliness and purity in all aspects of life. Prophet Muhammad's own emphasis on personal hygiene and avoidance of impurities serves as a model for his followers (Al-Qaradawi, 2013).

This matter is garnering increasing attention not only within the Muslim community but also among non-Muslims. This is due to instances where factories, premises, and other establishments owned by non-Muslims have been discovered to process products or offer food items to Muslim customers using items or equipment contaminated by mughallazah najis, including products confirmed to contain DNA pig. Additionally, the issue of contamination of products or premises with mughallazah najis is sensitive for Muslims (Mohd Salleh et al., 2020). The Islamic determination regarding sertu is drawn from various arguments outlined in the hadith documented by Imam Muslim in his sahih. For example, Sahih Muslim (279) narrates:

طَهْرُ إِنَاءٍ أَحَدُكُمْ إِذَا وَلَغَ فِيهِ الْكَلْبُ، أَنْ يَغْسِلَهُ سَبْعَ مَرَّاتٍ أَوَّلَهُنَّ بِرِثَابٍ

"The cleansing of the utensil belonging to one of you, after it has been licked by a dog, is to wash it seven times, and using soil for cleaning at the first time."

Sahih Muslim (279)

Despite its importance, the interpretation and application of sertu principles have been subject to controversy, particularly considering modern scientific discoveries that have challenged traditional views on cleanliness and purity (Kamali, 2003). The discovery of germs and microorganisms has led some to question the validity of certain sertu practices, while others argue that Islamic teachings on cleanliness align with scientific principles (Yusoff & Danehsagar, 2011).

Islamic principles provide a framework for defining halal (permissible) and haram (forbidden) practices, shaping Muslim consumption habits, and guiding ethical decision-making. Meanwhile, scientific progressions offer fresh insights into purity and cleanliness, covering concepts such as hygiene, sanitation, and environmental sustainability (Said & Hanapi, 2019). This paper will concentrate on these topics, employing Islamic and scientific approaches, and will research the complex issues surrounding sertu, examining its

interpretation and application from these two distinct yet potentially complementary perspectives.

1. SERTU FROM ISLAMIC PERSPECTIVE

In Islamic belief, sertu goes beyond simple cleanliness, symbolizing life in harmony with Allah's guidance. The Quran and teachings of the Prophet (PBUH) outline the path to achieving purity, both outwardly for rituals and inwardly for the heart and soul. It is not just about physical cleanliness but also about ethical behaviour, dietary habits, and maintaining a positive mindset. By embracing sertu, Muslims aim to lead a balanced life, pleasing Allah and nurturing spiritual fulfillment.

In accordance with Islamic Shariah law, there exists a specific method known as Islamic cleansing, or "sertu" in Malay, designed to purify items contaminated by severe najas, such as those derived from dogs, pigs, and their offspring. This cleansing ritual involves washing the affected body parts, clothing, surfaces, utensils, and equipment seven times with pure, uncontaminated water, one of which includes water mixed with soil (Rahman et al., 2022). In the Malaysian Standard MS2400-1:2019 for Halal Supply Chain Management System - Part 1: Transportation - General Requirements, sertu is defined as a Shariah ritual cleansing process aimed at purifying items that have encountered severe najas, conducted by washing them seven times with pure water. One of it must contain soil.

There is disagreement among scholars regarding the purification method for items contaminated by dogs and pigs. According to Imam al-Shafi'i and Imam Hanbali view within his school of thought, purification involves washing the contaminated item seven times, with one of those washes involving water mixed with soil (Awang & Zaki, 2022). The cleansing procedures prescribed by the Shafi'i and Hanbali schools affirm that dogs are inherently impure. Both scholars concur on the inherent impurity of dogs, requiring a thorough washing of the entire body to eliminate impurities. Likewise, should one's hands come into contact with dog saliva, adherents of the Shafi'i and Hanbali schools mandate washing the hands seven times, with the initial wash incorporating water infused with soil. (Yusof & Zahari, 2023).

On the other hand, the Maliki school of thought asserts that dogs are not inherently impure except for their saliva. Cleansing after contact with dog faeces is viewed as an act of worship known as ta'abuddiyy (Awang & Zaki, 2022). Following this perspective, the Maliki school, guided by the ta'abudi principle, does not mandate washing the area licked by a dog or other impurities from dogs and pigs. According to the Maliki school, the way to clean mughallazah feces like a dog is to wash it seven times (Yusof & Zahari, 2023).

In contrast, the Hanafi school maintains that washing impurities from dogs and pigs follows the same procedure as other impurities, requiring washing once or multiple times depending on the degree of contamination (Awang & Zaki, 2022). According to the Hanafi school, cleansing after contact with dog faeces involves washing it three times. In this school of thought, dogs are not deemed entirely impure; rather, only their saliva is considered impure. Therefore, only the dog's saliva requires washing three times. If some clothing is touched by dog saliva, it should be washed three times to cleanse it (Yusof & Zahari, 2023). The Shafi'i

and Hanbali scholars adhere to a washing method involving seven repetitions and insist on the use of soil during the washing process. They emphasize starting the washing procedure with water mixed with soil as it is deemed more effective and stricter in their perspective. Various schools of thought have differing stances on the requirements for sertu.

2. SERTU FROM SCIENCE PERSPECTIVE

Sertu is a process aimed at ensuring the cleanliness and hygiene of tools and equipment across various industries. From a scientific perspective, it involves thorough cleansing to eliminate contaminants, particularly severe najas (known as Najas Mughallazah) that may be present on surfaces. These contaminants can originate from different sources, including animal-derived substances like pork or dog-related contaminants, posing risks to product integrity, safety, and quality. The scientific approach to sertu involves specific steps. Initially, the contaminated tool or equipment undergoes cleaning using a mixture of clay and clean water suspension to remove the bulk of impurities. Subsequently, the tool is rinsed six times with pure water (Mutlaq) to ensure the complete elimination of any remaining contaminants (Rahman et al., 2022). This thorough process adheres to scientific cleanliness principles, effectively preventing cross-contamination and preserving product quality.

Scientific viewpoints are often overlooked, but here, we will shed light on some aspects from a scientific standpoint. The inclusion of soil in the sertu cleansing procedure affects significant inquiries and considerations. Traditionally employed in sertu rituals to purify najas mughallazah, soil is often regarded as a medium that may harbour varied microorganisms, including bacteria and fungi, posing potential health hazards. This connection to potential pathogens necessitates a thorough examination of the rationale underlying soil usage in cleansing rituals, particularly concerning hygiene and safety standards in halal product production (Awang & Zaki, 2022). Although the religious significance of soil in sertu is well-established, its alignment with contemporary scientific perspectives on cleanliness and hygiene warrants further investigation and discourse.

For example, soil has been associated with bacteria and fungi that can cause illnesses like tetanus, botulism, wound infections, gastroenteritis, and respiratory syndromes. These health hazards linked to soil contamination raise doubts about their appropriateness for use in cleansing rituals, especially concerning the potential transfer of harmful microorganisms during purification. The scientific community may question the effectiveness of soil in adequately eliminating contaminants and dirt, as well as its contribution to hygiene and disease prevention (Awang & Zaki, 2022).

The sertu process is vital for maintaining the cleanliness and sanitation of tools and equipment across various industries. While deeply rooted in religious tradition, its significance extends to scientific principles, highlighting the importance of thorough cleansing to remove contaminants like severe najas, such as Najas Mughallazah. However, the use of soil in sertu rituals raises important questions from both religious and scientific viewpoints. Although soil holds religious significance for cleansing, its potential to harbour harmful microorganisms challenges modern hygiene standards. Further examination and discussion are needed to

address these concerns and ensure the effectiveness and safety of the sertu process in contemporary settings.

3. THE USAGE OF NATURAL CLAY FROM SCIENTIFIC PERSPECTIVES

The demands for Halal clay from Muslim consumers are positively increasing in line with the growing number of halal industrial players. Currently, Green Islamic Cleaning Services, provided by MIFF Holding Sdn. Bhd., is recognized as one of the leading service providers for halal clay production and offers services according to Islamic cleaning requirements. This signifies that the production of halal clay has good market potential due to the huge number of halal consumers.

Recently, the University of Putra Malaysia (UPM) has begun an effort to innovate halal claybased products. The product consists of natural clay (54%), silt (45%), and sand (1%), and the particle size is less than 2.0 μ m, compared to the commercial clay (less than 20.0 μ m). This technology shows an effective function that has anti-microbial capacity where it minimizes 99.9% of microbes in dog saliva and 98.6% of microbes in swine meat. This signifies its capacity to purify najas mughallazah in halal-based products or halal services such as cosmetics, pharmaceuticals, logistics, food, hotels, and premises, and abattoirs to maintain its halal compliance. The methodology using the clay is simple, economical, and free from harmful chemicals. Plus, its consumption is safe for use in manufacturing sectors, such as cleaning the contaminated machines while not affecting the products and users (Hashim, n.d).

The study conducted by Yusof and Subri (2022) highlights the adverse effects of incorporating soil in the sertu process, particularly when applied to machinery sensitive to soil. However, most research indicates that the use of soil is compatible with the sertu process. This compatibility arises from clay's effectiveness in cosmetics, attributed to its high absorption capacity for substances such as oil and toxins. Clay and clay soup are two types of soil deemed suitable for halal industry purposes. Scientific experiments have demonstrated their ability to eradicate bacteria and hydroxyl radicals, which damage bacterial cells by disrupting DNA.

Meanwhile, a study conducted by Norrahimah et al. (2021) elucidates five conditions regarding the physico-chemical properties of clay that necessitate consideration within the context of the halal industry. Firstly, the pH should remain at an acidic to neutral level. Secondly, clay's particle size distribution (PSD) should be small and devoid of particles that could potentially damage equipment. Thirdly, the humidity level must consistently remain low. Lastly, toxic metals and microbial loads should be maintained at minimal levels, adhering to the limit requirements outlined in the Malaysian Food Regulations 1985 to ensure the safety of consumers.

Research has been conducted by Hashim et al. (2013) noted the suitable PH value for clay content specifically to avoid the growth of microbes. Four samples of clay are prepared in the range of 5.016.71. Clay D (standard) demonstrated the neutral condition (pH 6.71). Meanwhile, clay A, B and C were slightly acidic. The result showed clay C possessed the highest clay content (89.00%) as compared to clay A (42.31%), B (53.95%) and D (36.00%). The particle size of clay was < 2 μ m, silt and sand are 2-20 μ m and >20 μ m. All the clay

samples were prepared in dry conditions to preserve the quality from humidity. Recently, there have been no standardized guidelines for preparing halal clay in accordance with both Islamic and scientific principles. Patterson (2009) outlined the standard moisture content for powder detergents, which ranges from 1.4% to 28.7%. This standard appears to be applicable for controlling microbial growth and maintaining lower levels of toxic metals (such as As, Sn, Cd, Pb) content, rendering it safe for consumers, particularly for external use. However, it is imperative to place greater emphasis on the aspects of halal and toyyib requirements to enhance safety considerations further.

Angkatavanich et al. (2009) have created clay-based samples using a combination of clay water and liquid detergent in one medium called clay liquid detergent (CLD). This effort is part of the medium to develop a halal compliance cleansing method. Optimistically, the researchers have consulted Islamic scholars from Thailand regarding Islamic requirements for samples' preparations. This is to ensure the selected clays are safe for consumers and utterly free from any prohibited substances prior to being used to produce CLD. The required raw materials of CLDs were sodium lauryl ether sulphate, sodium chloride, citric acid, EDTA and deionized water without the mixture of colour or fragrance for safety purposes. The concentration of clay in the CLDs was not less than 10%. According to Islamic scholars, a high concentration of clay is required, specifically when diluted with other materials, which will produce a sufficient degree of turbidity. In addition, other additional raw materials or ingredients of the CLDs must be 'halal', or permissible according to Islamic law. Four types of pharmaceutical-grade clays were chosen as the primary samples for preparing materials for the CLDs (Clay-based Liquid Dosage Forms). Physical evaluations and stability tests were conducted to assess product quality. However, several product development attempts failed due to issues such as separation or sedimentation during material preparation. In terms of fragrance, researchers opted not to include any fragrance elements in the samples to prevent unfavorable changes in color, texture, or other sensory characteristics.

Scientific discovery has demonstrated that clay possesses the capability to combat parasites. Its natural composition includes antiseptic properties that make it suitable for cleaning apparatus or equipment contaminated by dog saliva, which may contain pathogens (Angkatavanich et al., 2009). This finding validates the Hadith of Prophet Muhammad, which recommends the application of *sertu* whenever in contact with *najs mughallazah*. (Kassim et al., 2014). For example, hookworms, tapeworms, and roundworms can potentially be transmitted in dogs' saliva or faeces if no proper cleansing activities are implemented. Hence, it can increase the potential risk of zoonotic transmission from dog to human such as tapeworms like *Dipylidium caninum* and *Echinococcus* spp. are types of parasites that can disseminate to dogs via the ingestion of infected fleas and infected animal tissues (CDC, 2015).

Other types of parasites that can affect dogs include *Toxocara*, which poses a significant risk of infecting children with toxocariasis (CDC, 2016). Additionally, dogs are prone to parasitic infections such as *Sarcoptes scabiei*, leading to skin diseases characterized by severe itching (CDC, 2015). The application of clay can effectively eradicate these parasites due to its

natural physical and chemical properties. The elemental composition of clay, including 95% carbon, hydrogen, oxygen, nitrogen, phosphorus, and sulfur, aligns with the composition of human tissues. Overall, clay contains a total of 26 different elements. (Shoukfeh, 2006). In the Quran, Allah SWT mentioned the creation of human beings from an extract of clay based on Surah Al-Mu'minun verse 12. The essence of human creation contains the earth elements in human anatomy, as revealed in the Qur'an fourteen hundred years ago and currently discovered in scientific findings. Due to these physical properties, the clay has been processed as dermatological protectors, anti-inflammatories, and local anaesthetics (Londono & Williams, 2016).

Currently, the clay has been processed into medicinal clay that is typically used as an antiparasitic agent for proper cleansing and purification, specifically at the place or equipment that is easily contaminated by parasites as a result of low hygiene standards. Consequently, the use of clay can be applied as a potential tool for the removal of microorganisms, including parasites (Mat Yusof et al., 2017). Other scientific findings show that clay is applicable to treat diseases such as diarrhea and abscesses (Otto and Haydel, 2013). Moreover, clay exhibits potential in wastewater treatment and environmental bioremediation, serving as excellent adsorbents that are environmentally friendly (Yuan et al., 2013). Its usage facilitates the removal of heavy metal ions and organic pollutants from water, offering a safer alternative to chlorines over prolonged application periods. Various scientific detection methods, such as atomic force microscopy (AFM), X-ray photoelectron spectroscopy (XPS), and examination of exopolymers, intracellular organelles, or ultra-structures, are applicable for imaging clay mineral surfaces or microbial cells. This equipment enables the detection of nanoscale surface morphology of bacteria-clay mineral aggregates and force-distance curves for bacterial cells approaching and retracting clay-sized goethite (Mat Yusof et al., 2017).

An article published on the Medical News Today website (2023) highlighted the use of bentonite clay as a good source for cosmetics and medical-based products. In addition, some of the producers use this type of clay in supplements-based products to relieve digestive issues or remove toxins from the body. The writer has listed 11 advantages of bentonite clay as follows:

1. Removing toxins from the body.
2. Treating oily skin and acne.
3. Detoxifying the skin.
4. Treating poison ivy.
5. Aiding weight loss.
6. Relieving constipation.
7. Treating diarrhea.
8. Treating diaper rash.
9. Providing sun protection.
10. Removing lead and other heavy metals.

A systematic review by Moosavi (2017) discussed the function of bentonite clay (BC) as a natural remedy. Previous scientific studies proved the usage of bentonite clay as a detoxifying agent. Bentonite clay demonstrates the ability to absorb the negative charge of toxins, as evidenced by a pilot study conducted on rat samples to assess the efficacy of Bentonite Clay (BC) in treating digestive issues. Over a 2-week period of ingesting bentonite, the rats exhibited a significant improvement in faecal excretion, indicating a positive healing effect against T2 toxicosis. Furthermore, BC has been found to possess antibacterial properties, capable of absorbing coliphages T1 and T7 of *Escherichia coli* in vitro. When the clay-water mixture was incubated for 24 hours, it effectively killed the bacteria. These findings suggest that bentonite can modulate the body's immune response.

Taufikurrahmi et al. (2018) conducted research to investigate the effectiveness of three types of clay samples such as bentonite, talcum, and kaolin, towards antibacterial activities of dog's saliva through morphological observation and biochemical tests to isolate the bacteria of *Staphylococcus haemolyticus*, *Micrococcus* sp., *Klebsiella pneumonia* and *Proteus mirabilis*. These bacteria are classified as opportunistic pathogens that may cause infection in animals and humans, specifically those with weakened immune systems. These types of bacteria mostly cumulate from dogs' canine oral. With the application of the time adsorption assay technique, clay can adsorb bacteria quickly. This technique helps absorb bacteria in solution and can directly immobilize the cells and prevent replicating. The capability of clay to absorb the bacteria is because it has a good negative ion charge, particularly for bentonite clay.

A study conducted by Goel and Bhardawaj (2014) highlighted the benefits of clay for health and environment. The clays that are derived from black mud, mud from the Dead Sea, and moor mud have unique characteristics that are able to vacuum up many toxins, yeasts, moulds, and poisons from the body. In fact, the usage of clays is popular among the indigenous tribes before modernity period. They believed using bentonite clay could increase energy and neutralize the poisons, toxins, and yeasts in the human body. Ewis et al. (2022) confirmed that clay can effectively disinfect bacteria in water through various treatments and techniques. These include acid treatment and ion exchange to enhance the composite adsorption capacity of clay, such as modifying clay or minerals to form clay mineralpolymer composites. This technique effectively neutralizes mineral impurities through adsorption. Consequently, the utilization of clay presents a sustainable alternative for disinfecting microorganisms in water, particularly in combating health issues such as cholera (caused by *Vibrio cholera*), diarrhoea, dysentery (caused by *Escherichia coli*), food poisoning and typhoid (caused by *Salmonella typhi*) (Unuabonah et al., 2018).

Ihekwe me et al. (2021) have innovated new samples of clays called clay aggregates multifunctionality for water purification to improve adsorption capacity to diffuse impurities. The researchers applied SEM, XRD, XPS, and BET to reveal their salient features and analyze the physicochemical characterizations, specifically the capability to disinfect E-Coli, nitrate, and phosphate. The result of the study demonstrated the feasibility of modified ECA to be effectively used in water treatment, specifically to reduce the risks of water impurities. The

Langmuir and Freundlich models are employed to assess adsorption effectiveness, with the Langmuir model being favored for its suitability.

4. COMPARISON OF SERTU AND SAMAK

Many individuals confuse sertu with samak due to their shared role as purification rituals in Islam, causing them to mix up the two practices. Although both sertu and samak are aimed at cleansing oneself under certain conditions, they differ in their approaches, requirements, and objectives. It is essential for both practicing Muslims to fulfill religious duties correctly and non-Muslims, seeking to understand Islamic customs and beliefs, to grasp these differences.

According to Ahmad et al. (2023), the article entitled “The Concept of Samak and Sertu: A Comparison According to Islamic Perspective”, focused on the differences between Sertu and Samak from an Islamic perspective. Sertu entails purifying body parts tainted by impurities like those from dogs, pigs, and their progeny using water and soil. This cleansing procedure aims to uphold purity within Islamic rituals by removing contaminants from affected areas. It differs from Samak in both its objective and purification methods. Conversely, Samak involves cleansing an animal's hide of impurities using a sharp tool. This process focuses on rendering the skin fit for specific uses, such as tanning or dyeing, and eliminating impurities like carcasses with water and soil.

Furthermore, the distinction between sertu and samak is vital within Islamic purification practices. Sertu focuses on purifying body parts affected by impurities, like dogs, pigs, and their offspring. Its main aim is to cleanse areas contaminated by such impurities, ensuring adherence to Islamic purity standards. Specifically, sertu targets parts that have encountered these impurities, promoting cleanliness and compliance with Islamic guidelines. In contrast, Samak is geared towards cleaning an animal's skin for specific uses, such as tanning or colouring. It involves purifying the skin to ensure it is suitable for its intended purposes and free from impurities like carcasses (Ahmad et al., 2023).

The method of purification in Islamic customs varies between Sertu and Samak. Sertu focuses on cleansing body parts tainted by impurities like those from dogs, pigs, and their offspring, employing water and soil. According to Islamic teachings, this method ensures the cleanliness of areas contaminated by impurities to uphold purity. Water and soil play key roles in purifying parts that have encountered impurities, such as those from dogs, pigs, or their offspring. In opposition, Samak involves removing impurities from an animal's skin for specific purposes using a sharp tool. This process aims to cleanse the skin for uses like tanning or colouring, eliminating impurities like carcasses with precision (Ahmad et al., 2023).

The utilization of Sertu and Samak requires specific contexts where these purification rituals are applied within Islamic traditions. In Malaysia, Sertu holds significant importance in the Halal Certification process overseen by JAKIM. Sertu is employed to cleanse areas contaminated by impurities like dogs, pigs, and their offspring using water and soil. Various businesses and mosques in Malaysia undergo Sertu to ensure cleanliness, safety, and compliance with Halal standards (Ahmad et al., 2023). On the other hand, Samak involves

using a sharp tool to purify an animal's skin from impurities for specific purposes. This process is essential for preparing the skin for various applications, such as tanning or colouring, ensuring it is devoid of impurities like carcasses. Samak's application is particularly crucial in industries requiring purified animal skin for further processing and utilization.

Table 1 highlights the differences between Sertu and Samak

Criteria	<i>Sertu</i>	<i>Samak</i>
Definition	Process of cleaning parts affected by impurities like dogs, pigs, and their offspring.	Process of cleaning an animal's skin from impurities.
Purpose	Purification from impurities like dogs, pigs, and their offspring.	Cleaning for specific uses.
Method	Uses water and soil for purification.	Uses a sharp tool for cleaning.
Application	Purifying parts affected by impurities.	Cleansing animal skin for specific purposes.

5. ISSUES ON SERTU

In this regard, Sertu causes serious problems, especially in situations when water is limited or using water for sanitation is impractical. Islamic laws and governance play an important role in Malaysia where it is located. Thus, these issues need to be addressed to guarantee the complete and legitimate enforcement of sertu in the legal and religious framework. The significance of awareness, confrontation and overcoming these barriers become imperative for ensuring religious tolerance, protecting individual rights, and strengthening the relationships among members of a diverse community.

Mohd Salleh, et al. (2020) discussed in detail the issues that arise in the implementation as well as the industry in Malaysia, first, regarding non-compliance of sertu operators with sertu guidelines and fatwas. This problem arises when the operator fails to adhere to the guidelines and fatwas established by authorities like JAKIM. Such non-compliance threatens the integrity of the process and raises concerns about the halal status of the purified product. Operators need to abide by the established guidelines to ensure that cooperation is conducted properly and in accordance with the law.

Furthermore, lack of practice as well as service provider companies. This problem encompasses several factors, including the production of liquids that do not align with prescribed fatwas and failure to comply with guidelines established by authorities. Inadequacies in severance practices can raise doubts about the cleanliness and legitimacy of the severance process conducted by the service provider company (Mohd Salleh, et al., 2020). And the third is about non-uniform and guided implementation. Despite JAKIM introducing sertu guidelines for the industry, sertu service providers often fail to comply with these guidelines. This highlights the necessity for stricter monitoring and enforcement of sertu guideline compliance at both the JAKIM and JAIN levels to foster the growth of the sertu industry. Identifying these issues underscores the need for improvement measures such as

coordinating jurisdictions, enforcing guideline compliance, and raising public awareness to enhance confidence in Malaysia's halal industry (Mohd Salleh, et al., 2020).

Other than that, “The Legal Framework of Sertu for Halal Industry in Malaysia” written by Abdul Halim et al. (2020), focuses on examining the legal structure of the Halal industry in Malaysia. The findings reveal several issues, including non-compliance by sertu operators with sertu guidelines and fatwas, lack of a standardized operating procedure for managing sertu by the Department of Islamic Development Malaysia (JAKIM) and the State Department of Islamic Religion (JAIN) / State Islamic Religious Council (MAIN), and challenges related to inter-state authority in collaborative implementation efforts.

There are also researchers Mohd Salleh et al. (2024) which is titled “Issues in the Implementation of Industrial Sertu in Malaysia” addresses various issues encountered in the sertu process, covering aspects such as adherence to guidelines, knowledge and understanding, utilization of modern equipment and materials, management of sertu procedures, incorporation of religious practices, and confidence in the competence of governing authorities. Additionally, it underscores the importance of enhancing understanding and awareness among the community and sertu operators to ensure proper implementation of the sertu process in accordance with established guidelines. The implementation of the halal industry in Malaysia faces several key issues that require careful consideration. Noncompliance with established guidelines and fatwas is an important concern, emphasizing the need for operators to adhere strictly to regulatory standards (Mohd Salleh et al., 2024). Additionally, enhancing understanding and knowledge among operators regarding the process is crucial for accurate implementation.

Furthermore, challenges arise from the utilization of modern equipment, particularly in ensuring compatibility with sertu procedures, especially in water-sensitive equipment and challenging areas such as carpets. Addressing the use of additives in the purification process is imperative to ensure compliance with prescribed conditions for mughallazah purification. Effective management of guidelines for each halal scheme is essential, requiring tailored and specific guidelines to accommodate different industry needs. Moreover, avoiding the incorporation of religious practices in the sertu process is vital to maintain alignment with established guidelines (Mohd Salleh et al., 2024). Lastly, building industry trust in the competence of authorities such as the State Islamic Religious Department (JAIN) is crucial for ensuring smooth and reliable implementation of the halal process, fostering confidence within the halal industry.

CONCLUSION

The complexity and importance of sertu are underscored by examining it through both Islamic and scientific lenses. From an Islamic standpoint, sertu embodies moral conduct, purification rituals, and a dedication to spiritual purity and religious principles. Conversely, scientific research sheds light on the practical benefits of sertu in maintaining environmental sustainability, public health, and hygiene, especially in areas facing water scarcity or health

challenges. Sertu, symbolizing a comprehensive approach to cleanliness and spiritual well-being, holds profound significance in Muslim practice, albeit with variations in interpretation among different Islamic schools. By integrating scientific insights with religious convictions, we can achieve a deeper understanding of sertu and its relevance in contemporary contexts.

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Intention of Java Island Millennial Muslim Generations toward Retail Cash Waqf Linked Sukuk (CWLS)

Sabila Putri Dian, Nurul Huda, Bayu Taufiq Possumah

Cash waqf has a huge potential and future impact for Indonesia, thus various efforts have been made by the government to increase the acquisition of cash waqf, including issuance of Cash Waqf Linked Sukuk (CWLS) and National Cash Waqf Movement. There were also programs conducted by the government to increase the participation of the younger generation, especially Muslim Millennial to purchase CWLS. However, collection rate of cash waqf is still low. In optimizing participation of Muslim Millennial, it is important to know factors that influence an individual's (Muslim Millennial) intention to perform cash waqf through CWLS. The relationship between these various factors can be explained through Theory of Planned Behaviour (TPB), with three variables namely Attitude, Subjective Norm, and Perceived Behavioural Control which then modified by adding factors related to the behaviour of the Muslim Millennial, namely Religiosity and Trust in Waqf Institutions (LKS-PWU). The research population is the Muslim Millennial of Java Island with a total sample of 185 people. The sampling technique was purposive sampling. Data was collected using a questionnaire and analyzed using SEM method with AMOS program. Results showed that Perceived Behavioural Control and Trust in LKS-PWU had a positive and significant effect on intention in cash waqf through CWLS; Attitude, Subjective Norm, and Religiosity have no significant effect on intention in cash waqf through CWLS.

Keywords: Cash Waqf Linked Sukuk; Millennial; Intention

INTRODUCTION

According to Fatwa of the Indonesian Ulama Council (DSN MUI, 2002) in 2002, cash waqf is waqf made by a person, group of people, institution, or legal entity in the form of money. Compared to other types of productive waqf, cash waqf has several advantages, namely: (1) cash waqf opens wider opportunity for waqif to donate with relatively much smaller value than land or building donation; (2) cash waqf principal can act as a source of financing for the development of state assets, while the benefits can be used to fund the social funding needs of the wider society; (3) cash waqf has the opportunity to encourage the Islamic financial sector to be stronger and more advanced (Ministry of Finance, 2021).

BWI (2022) stated that the potential for cash waqf reaches Rp. 180 trillion per year, consist of individual cash waqf of Rp. 130 trillion, new investment-generated cash waqf of Rp. 40 trillion, CSR conversion cash waqf of Rp. 6.65 trillion, and cash waqf from civil servants Rp. 2 trillion. However, during cash waqf collections in 2011-2018 period only generated IDR 255 billion in accumulation.

The government has launched several programs in order to increase the participation of cash waqf including retail Cash Waqf Linked Sukuk (CWLS) in 2020 and National Cash Waqf Movement in 2021. Throughout its issuance, Cash Waqf Linked Sukuk (CWLS) retail has booked an increase in the acquisition of cash waqf from IDR 14.912 billion (SWR001) in 2020, IDR 24.141 billion (SWR002) in 2021, to IDR 38.25 billion (SWR003) in 2022. The increase in the acquisition of cash waqf through CWLS retail, not only in amount of waqf but also in number of waqifs, shows that retail CWLS is a product that has great potential in collecting cash waqf from the public.

In total, 2,316 individual waqifs have participated in retail CWLS purchases. The number of waqifs participating in cash waqf through retail CWLS is currently dominated by Generation X (974 waqif), Generation Y/Millennials (841 waqif), and Generation Z (10 waqif). In terms of number of waqifs, Millennial Generation participation has increased since the launch of CWLS Millennials. Millennials are potential waqif since its population has reached 69 million people (25.87% from total population) in 2020. In addition, Millennials are in a productive age and will be majority in the workforce for the next few years.

In optimizing the participation of the Millennial Generation in cash waqf, it is important to know the factors that influence Millennial Generation's intention to perform. The relationship between these various factors can be explained through Theory of Planned Behavior (TPB). TPB examines the relationship between Attitude, Subjective Norm, Perceived Behavioral Control, and its relationship with Millennial Generation's intention to perform cash waqf. Although cash waqf could be purchased by both Muslims and non-Muslims, this research will only focus on the Muslim Millennial Generation. This is due to the similarities that form the Muslim Millennial Generation, especially in the socio-historical aspect. Then, TPB was modified by adding factors related to the behavior of the Muslim Millennial Generation, namely Religiosity and Trust in Waqf Institutions. This research will focus on the Muslim Millennial Generation who live on the island of Java, because 57.90% of the Millennial

Generation live on the island of Java. This can also be seen from the results of collecting retail CWLS for 3 stages which are still concentrated in Java, especially DKI Jakarta Province.

LITERATURE REVIEW

Review of previous researches revealed that TPB has been successfully applied in many fields of study including giving behavior (Linden, 2011; Smith & Mcsweeney, 2007). Three TPB variables (Attitudes, Subjective Norms and Perceived Behavioural Controls) considered to have a significant and positive influence on intention/intention to endow cash according to Haidlir et al., 2021, Azizi, et al., 2019; Osman & Muhammad, 2017; Ratnasari & Arifin, 2017; Shukor, et al., 2017; Yusoff, et al., 2017; and Osman, et al., 2016. Even so, there is also research showing that there were TPB variables that could not be used as predictors of behavioral intentions, for example research by Kumar (2012), Linden (2011), Smith & McSweeney (2007), and Armitage and Conner (2001), which states that subjective norms were a weak predictor of behavioral intention. This finding was also supported by research from Iqbal et al., 2019 concerning the promotion of cash waqf which is still small.

Religiosity variable in this study was obtained based on the result of previous studies such as research by Kasri, R.A. and Chaerunnisa, S.R., 2022; Amalia, et al., 2020; Iranmanesh, et al., 2020; Vanany, et al., 2019; Wulandari & Rabbani., 2019; Baqutayan & Mahdzir, 2017; Osman, et al., 2016; and Amin et al., 2014 which generally indicated that literacy and religiosity has positive relationship with behavioral intentions, including intention to participate in cash waqf. There were also previous studies from Khan et al., 2022, Ngah et al., 2021, and Shabrina, et al., 2018 which stated that religiosity does not affect the intention to use Islamic microfinance services, and Amin et al., 2011 which found that religious obligations and government support have no effect on behavioral intentions of sharia personal financing.

Research by Shukor et al., 2014 and Shukor et al., 2017, indicates that trust in waqf institutions is the basis of the behavior of Malaysian Muslims in participating in cash waqf. The importance trust was also pointed out by similar studies in Bangladesh (Hassan et al., 2019) and in Indonesia (Kasri, R.A. and Chaerunnisa, S.R., 2022).

However, this research is the first to study Muslim Millennial intention to perform cash waqf through CWLS. The results of this study are expected to provide input to stakeholders (Government, BWI, Financial Institutions), in designing programs with appropriate approach for Muslim Millennial to increase their participation to endow cash waqf through CWLS.

RESEARCH METHOD

This research used quantitative method. The population and sample of this study are Muslim Millennial (born in 1981 – 1996) waqif candidates (never purchased cash waqf / CWLS before). Sample is a part of the population taken using the sampling technique. According to Hair, Anderson, Tatham, & Black, (2010) if the sample size is too large it will be difficult to get a suitable model, so the recommended sample size is between 100-200 respondents so that estimation interpretation can be used with the Structural Equation Model

(SEM). Determination of number of samples in SEM method according to Hair et al (2010) is: (Number of indicators + number of latent variables) x (5 to 10 times). Thus, the number of samples for this study is a minimum of 90 respondents and a maximum of 180 respondents. This study used purposive sampling technique, which is a method of carefully selected samples so that they are relevant to the structure of the study, according to specific characteristics (Djarwanto, 1998). The research data consists of primary data obtained directly from the questionnaire with measurement of research variables using a five-point Likert Scale. Questions designed based on the possibility of having high validity and reliability according to the literature. When designing a questionnaire, using questions from previous studies or research is legal, even encouraged, unless there is a copyright for the questions (Czaja and Blair, 2005). In this study, SEM (Structured Equation Modeling) will be applied to look at analyzing hypotheses, based two-step modeling approach for measurement models and structural equation models. According to Cristi et al (2021), SEM is a multivariate statistical analysis technique that is applied in the analysis of structural relationships, while it is also a combination of factor analysis and multiple regression analysis. According to Bagozzi and Fornell (1982) Structural Equation Modeling (SEM) is the second generation of multivariate analysis techniques that allow researchers to examine complex relationships between variables to obtain an overall picture of the entire model (Ghozali and Fuad, 2008).

RESULTS

1. Validity and Reliability Test for 30 intial samples

Prior to further data analysis and processing, it is necessary to test the validity and reliability of variables using the SPSS program. Criteria for instrument items are to have good construction validity. Construction validity could be analyzed by comparing correlation value or r-count with the r-table. If the r-count value is > 0.361 (r-table with a significance level of 0.05 and $df = (100-2)$) then items in the instrument are valid. While instrument criterion for is Cronbach's Alpha value > 0.70 . The results of testing the validity and reliability of the 30 samples are shown in Table 1.

Tabel 1. Validity and Reliability Test Result for 30 samples

Variable	Question Item	R-Count	R-Table	Result
Attitude (AT)	AT1.1	0,690	0,361	Valid
	AT1.2	0,578	0,361	Valid
	AT2.1	0,846	0,361	Valid
	AT2.2	0,893	0,361	Valid
	AT2.3	0,846	0,361	Valid
	AT3.1	0,834	0,361	Valid
	AT3.2	0,716	0,361	Valid
	<i>Cronbach's Alpha</i>	0,886 $>$ 0,70		Reliable
Subjective Norm (SN)	SN1.1	0,745	0,361	Valid
	SN1.2	0,912	0,361	Valid

	SN2.1	0,810	0,361	Valid
	SN2.2	0,925	0,361	Valid
	SN3.1	0,936	0,361	Valid
	SN3.2	0,921	0,361	Valid
	SN4.1	0,871	0,361	Valid
	SN 4.2	0,879	0,361	Valid
	<i>Cronbach's Alpha</i>	0,956 > 0,70		Reliable
Perceived Behavioural Control (PBC)	PBC1.1	0,841	0,361	Valid
	PBC1.2	0,843	0,361	Valid
	PBC 2.1	0,882	0,361	Valid
	PBC 2.2	0,816	0,361	Valid
	PBC 3.1	0,821	0,361	Valid
	PBC 3.2	0,871	0,361	Valid
	PBC 3.3	0,691	0,361	Valid
	PBC 3.4	0,703	0,361	Valid
	<i>Cronbach's Alpha</i>	0,923 > 0,70		Reliable
	R1.2	0,663	0,361	Valid
	R1.4	0,562	0,361	Valid
	R1.5	0,678	0,361	Valid
	R1.6	0,735	0,361	Valid
	R1.7	0,723	0,361	Valid
	R2.1	0,622	0,361	Valid
	R2.3	0,712	0,361	Valid
	R2.4	0,806	0,361	Valid
	R3.1	0,771	0,361	Valid
	R3.2	0,693	0,361	Valid
	<i>Cronbach's Alpha</i>	0,863 > 0,70		Reliable
Trust (T)	T1.1	0,900	0,361	Valid
	T1.2	0,943	0,361	Valid
	T1.3	0,828	0,361	Valid
	T2.1	0,957	0,361	Valid
	T2.2	0,899	0,361	Valid
	<i>Cronbach's Alpha</i>	0,941 > 0,70		Reliable

Source: Questionnaire Data

Table 1 shows that all question items for the Attitudes, Subjective Norms, Perceptions, and Trust in the LKS-PWU variable have a value of $r \text{ count} > r \text{ table}$ (0.361), thus all these questions declared valid to be used as a variable measuring instrument. In the Religiosity variable there are several statement items with $r \text{ count} < r \text{ table}$ (R1.1, R1.3, and R2.2) so the statement items are invalid. Invalid statement items have been removed and were not used for further analysis. Based on Table 1 it is known that each research variable has a Cronbach's Alpha value greater than 0.70, so it can be concluded that all research constructs are declared reliable.

2. Respondent Profiles

The questionnaire in this study was using typeform and was distributed via the WhatsApp, Instagram, and Telegram applications so that 185 respondents were collected, with the following demographics:

Domicile

The first characteristic to be discussed is the area of the respondent's domicile. This research focuses more on the island of Java. From the results of the questionnaire, it was found that of the 185 respondents, 163 respondents (88%) were living in the Jabodetabek area while 22 respondents (12%) were living in Java Island other than Jabodetabek area.

Gender

The second characteristic is the gender of the respondent. From the results of the questionnaire, it was found that of the 185 respondents, 110 respondents (59%) were male, while 75 respondents (41%) were female.

Education

The third characteristic is the education of the respondents. From the results of the questionnaire, it was found that out of 185 respondents, 4 respondents (2%) had high school education, 129 respondents (70%) had a bachelor degree, 46 respondents (25%) had a master degree, and 6 (3%) respondents education are other than high school, bachelor, and master's degree.

Occupation

The fourth characteristic is the education of the respondents. From the results of the questionnaire, it was found that out of 185 respondents, 15 respondents (8%) were civil servant (ASN/PNS), 7 respondents (4%) were Freelancers, 81 respondents (44%) were Private Employees, 3 respondents (2%) were Students, 6 respondents (3%) are professionals, 46 respondents (25%) are entrepreneurs, and 27 respondents (15%) are other than the occupations mentioned above.

Earning

The fifth characteristic is monthly earning of the respondents. From the results of the questionnaire, it was found that of the 185 respondents, 9 respondents (5%) earned \leq Rp. 2,000,000 per month, 32 respondents (17%) earn Rp. 2,000,001 – Rp. 5,000,000 per month, 55 respondents (30%) earn Rp. 5,000,001 – Rp. 10,000,000 per month, 49 respondents (26%) earn Rp. 10,000,001 – Rp. 20,000,000 per month and 40 respondents (22%) earn above Rp. 20,000,000 per month.

3. Descriptive Analysis

Attitude

In general, the average score of the attitude variable tends to agree with cash waqf through CWLS, which is 3.59. From 3 (three) indicators in Attitude, Belief indicator scored 3.70 which is the highest indicator. There are 47% respondents agree that cash waqf through CWLS is a good idea, 45.9% of respondents agree that cash waqf through CWLS will benefit themselves and the society, and 44.9% agree that CWLS is a good form of investment. This shows that respondents agree that in general endowment of cash waqf through CWLS is a good

idea. The convenience indicator has the lowest average value compared to the other indicators. There are 65.4% of respondents perceive neutral (not sure) in whether that cash waqf through CWLS is easy to do. This neutral attitude (44.3%) was also shown by respondents to the availability of a platform that makes it easier to donate money through CWLS. This condition needs to be considered by both the government and LKS-PWU so that they can provide convenience and various platforms in paying cash waqf through CWLS.

Subjective Norm

Average score of the subjective norm variable tends to be neutral (not sure) towards cash waqf through CWLS, which is equal to 2.97. Of the four subjective norm indicators, Influence from the Social Community Indicator is the highest indicator, which is equal to 3.01. There are 57.8% of respondents perceive neutral, in which they will donate money through CWLS because their social community has donated money through CWLS, 57.3% of respondents are neutral that they will donate money through CWLS because their social community thinks that it is a noble thing to be done. This shows that the intention of respondents is not affected by their social community. The influence of family members indicator has the lowest average value compared to the other indicators. As for 61.6% of respondents are neutral (not sure) they will donate money through CWLS if there are already family members who do it first. This neutral attitude (60.0%) was also shown by respondents regarding their intention in cash waqf because according to their family members it was a noble thing to do. This condition needs to be considered by both the government and LKS-PWU that recommendations and examples from family, friends, the social community, and religious leaders, are not determinants of the intention of the Muslim millennial generation in cash waqf through CWLS.

Perceived Behavioural Control

Based on the research, average score of the Perceived Behavioural Control variable tends to be neutral (not sure) towards cash waqf through CWLS which is equal to 3.28. From three indicators of Perceived Behavioural Control variable, the indicator for intention to endow waqf is the highest indicator, which is equal to 3.68. There are 45.9% of respondents wanted to be able to waqf money through CWLS, and 56.8% believed that they had the ability to donate money through CWLS. This results showed that respondents have a desire to donate money through CWLS and feel they could do so. Indicator for the availability of adequate resources, skills and knowledge have the lowest average value compared to the other indicators, with score 3.28. There are 45.5% of respondents felt that they had sufficient income to waqf through CWLS, but 55.1% did not feel sure (neutral) that they had an allocation of funds for cash waqf through CWLS every month. Then, 31.9% of respondents felt they were not familiar with the concept of cash waqf through CWLS, and 37.8% of respondents felt they did not know enough about cash waqf through CWLS. The results of this respondent's response can be of concern to the government and LKS-PWU, especially the lack of intention of respondents to waqf money through CWLS, which is caused by a lack of knowledge and unfamiliarity with the concept of CWLS.

Religiosity

In general, the average score of the religiosity variable tends to be quite high, which is 3.83. From 3 (three) of the religiosity variables, the indicator of applying Islamic teachings in daily life is the highest indicator, which is equal to 4.06. There are 58.9% of respondents apply Islamic teachings in their daily lives, and 53.0% of respondents teach these values to their closest friends/relatives/family. Then, as much as 53% of respondents believe that cash waqf is a religious order. The indicator of coming to regular studies/taklim/majlis of knowledge has the lowest average value compared to the other indicators, which 3.57. There are 42.7% of respondents did not routinely come to study/taklim/majlis of science on a regular basis, but 43.2% of respondents read books/writings that add religious knowledge on a regular basis. Overall, this indicates that the respondent's religiosity is quite high, so it can be assumed that religious teachings are part of the respondent's daily life.

Trust in LKS-PWU

The average score of trust variable in the LKS-PWU tends to be neutral, which is 3.40. From two indicators of Trust in the LKS-PWU variable, good governance indicator is the highest indicator, which is equal to 3.51. The majority of respondents are neutral towards the ability of LKS-PWU to collect and manage cash waqf (47.0%) and that LKS-PWU will distribute waqf funds to waqf recipients (mauquf alaih) properly. The credibility indicator has the lowest average value compared to the other indicators, which 3.33. The majority of respondents are neutral towards the LKS-PWU institution (43.8%) and the information provided by the LKS-PWU (43.2%). This indicates that the socialization carried out by LKS-PWU has not reached the Muslim millennial generation. In addition, the message or persona displayed by the LKS-PWU was not well received by the Muslim millennial generation.

4. Validity and Reliability Test for all samples

Before further data analysis and processing, it is necessary to test the validity and reliability using the SPSS program. The criteria for testing the validity and reliability of the instrument have been described previously. The results of the validity and reliability tests on the entire sample stated that all constructs met the validity testing requirements, where the loading factor and AVE values were not below the value of 0.50. Thus, it can be concluded that the indicators in this study are stated to have a level of validity in forming constructs. Based on the results of the reliability test, it shows that the resulting construct reliability value is > 0.7 .

5. Structural Model Evaluation (Inner Model)

One of the research objectives is to find a suitable (fit) model by evaluating the structural model or the inner model. Inner model testing is done by looking at the amount of variance explained using the coefficient of determination. The coefficient of determination is a measuring tool used to see the magnitude of changes in endogenous variables that are affected by changes in exogenous variables. In this research using SmartPLS program, the value of the coefficient of determination can be seen through the R-Square value. The R-Square value is categorized strong if it is more than 0.67, moderate if it is more than 0.33 but lower than 0.67,

and weak if it is more than 0.19 but lower than 0.33. The result of the R-Square on Intention in cash waqf through CWLS is 0.753. This value indicates that the ability of Attitudes, Subjective Norms, Perceived Behavioural Controls, Religiosity, and Trust in LKS-PWU in explaining intention in cash waqf through CWLS is 75.3% and the remaining 24.7% is influenced by other variables outside the research model. The value of R² indicates a strong model because the value is > 0.67.

6. Hypothesis Testing

Hypothesis testing was carried out with the AMOS program to determine the effect between variables, both directly and indirectly. Hypothesis testing parameters can be known from the t-statistics value and the P-value. Provisions for testing the hypothesis with t-statistics is to compare the value of t-statistics with t-table 1.96 based on $\alpha = 5\%$. The criteria for the research hypothesis are accepted if t-statistics value > t-table (1.96), otherwise if the t-statistics value < t-table then the hypothesis is rejected. Research hypothesis is acceptable if the p-value is < 0.05, the p-value is > 0.05, the research hypothesis is rejected.

Figure 1. Path Diagram t-value

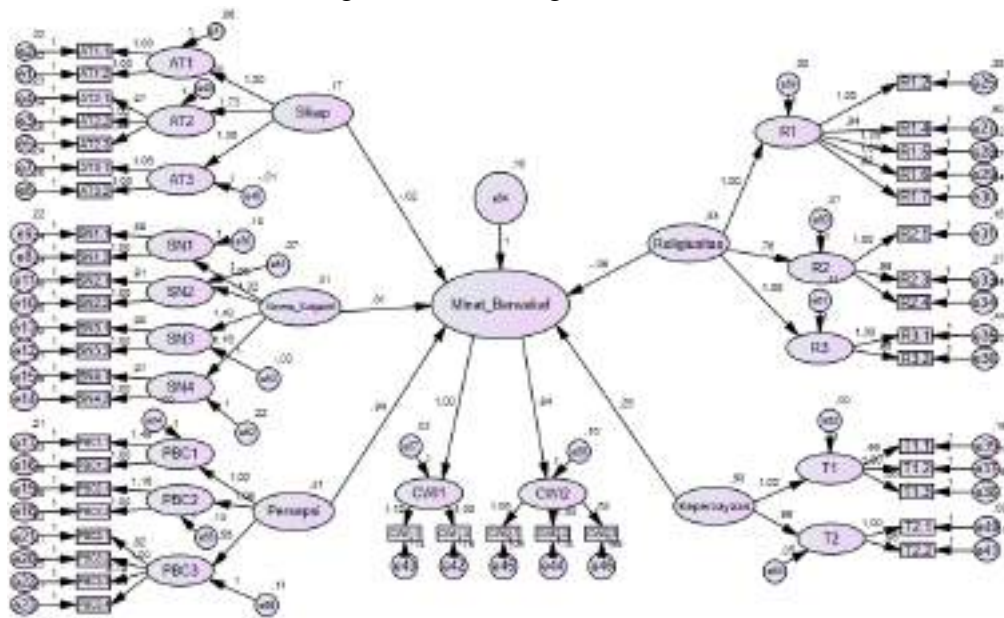


Table 2. Analisis SEM of Variables

Variabel	Coefficient	t-statistics	P-value	Result
Waqf Intention <--- Attitude	-0.015	-0.072	0.942	Insignificant
Waqf Intention <--- Subjective Norm	0.011	0.132	0.895	Insignificant
Waqf Intention <--- Perceived Behavioural Control	0.943	3.643	0.000	Significant
Waqf Intention <--- Religiosity	-0.063	-0.772	0.440	Insignificant
Waqf Intention <--- Trust	0.246	3.442	0.000	Significant

Tabel 2 shows the results of path coefficient testing between variables. The results of this analysis are used to test the research hypothesis, which explains the effect of each variable. Based on Table 2 it is known that influence of attitudes towards intention in cash waqf through CWLS is 0.015 with a negative direction. The t -statistic value is $-0.072 < 1.96$ and the p -value is $0.942 > 0.05$ indicating that the effect of attitudes on intention in waqf is not significant. Thus, there is sufficient empirical evidence to reject the first hypothesis, which states that attitude has a positive and significant effect on intention in cash waqf through CWLS.

The results show that the effect of subjective norms on intention in cash waqf is 0.011 with t -statistic value of 0.132 and p -value of 0.895. This has shown that the second hypothesis which states that "subjective norms have a positive and significant effect on intention in cash waqf through CWLS" could not be accepted because the t -statistic value is $0.132 < 1.96$ and p -value > 0.05 .

The path coefficient of the influence of Perceived Behavioural Controls on intention in cash waqf through CWLS is 0.943. Based on the calculations in Table 2, the t -statistic value is 3,643 with a p -value of 0,000. The resulting t -statistic value is greater than 1.96 and the p -value is less than 0.05. So, there is empirical evidence to accept the third hypothesis. Thus, it can be concluded that Perceived Behavioural Control has a significant effect on intention in cash waqf through CWLS.

Based on the test results in Table 2, the coefficient value of 0.063 with a negative relationship direction. This shows that religiosity has a non-unidirectional effect on intention in cash waqf through CWLS. Hypothesis testing showed significant results with t -statistic $-0.772 < 1.96$, and p -value $0.440 > 0.05$. Thus, it can be concluded that religiosity has no effect on intention in cash waqf through CWLS.

Based on the results of the path coefficient test in Table 2, it appeared that direct effect of the trust variable on LKS-PWU on employee performance shows a coefficient value of 0.246 with a positive relationship direction. The table also produces a t -statistic value of 3,442 and a p -value of 0,000. Hypothesis testing showed significant results because the t -statistic value was > 1.96 and the p -value was < 0.05 . Thus, there is empirical evidence to accept hypothesis 5 which states that "trust in LKS-PWU has a positive and significant effect on intention in cash waqf through CWLS."

DISCUSSION

Attitude towards Intention in cash waqf through CWLS

Negative relationship and insignificant effect of attitude towards intention in cash waqf through CWLS is contrast to previous researches on giving behavior from Osman et al., 2014; Knowles et al., 2012; Linden, 2011; Smith & Mcsweeney, 2007. However, the results of this study are in line with research from Saad, (2010) which indicates that attitude has no significant effect on compliance with corporate zakat.

According to Ajzen and Fishbein (1980) among several reasons that might cause this difference are differences in research environment, population, and research classification that can affect individual attitudes. In contrast to previous studies (Knowles et al., 2012; Linden, 2011; Smith & Mcsweeney, 2007) the behavioral environment for giving cash waqf is unique in that it is voluntary and requires nazirs to manage cash waqf funds. The waqif themselves do not have the right to determine where the money goes and to manage the cash waqf funds. The fund will be managed by thirf party called a mutawalis.

Difference in results can also be caused by the fact that the information received by respondents about CWLS has not been sufficient to shape attitudes, namely positive or negative individual evaluations of certain objects, people, institutions, events, behaviors, or intentions (Ajzen, 2005). This is also in accordance with Nour Aldeen et al (2022) and Iqbal et al. (2019) who found that advertisements about waqf in Indonesia were still few. This is also supported by research on the 2020 Waqf Literacy Index Survey Report which states that the National Waqf Literacy Index (ILW) score of 50.48 which is in the low category. This is also reflected in the questionnaire in the variable Perception where only 18.3% of respondents are very familiar with the concept of cash waqf through CWLS, and only 12.9% feel they know quite a lot about cash waqf through CWLS. Thus, in addition to internal factors, external factors such as information received about CWLS influence attitudes that will form intention in cash waqf through CWLS.

Subjective Norm towards Intention in cash waqf through CWLS

Subjective norms have a positive but insignificant effect on the intention to purchase cash waqf through CWLS. The results that are insignificant between subjective norms and intention in cash waqf through CWLS indicate that the influence of other people is not relevant in determining individual intention in participating in cash waqf through CWLS. Although this study contradicts previous studies such as Osman et al., (2014) and Knowles et al., (2012). However, the results of this study consistent with studies from Alam et al (2012) regarding behavioral intentions in choosing Islamic home financing in Malaysia, research on behavioral intentions of zakat compliance (Sapinggi, 2011; Saad, 2010) and selection of sustainable products (Kumar, 2012). In the context of cash waqf behavior through CWLS, the Perceived Behavioural Control of whether important people (family, friends, community, religious leaders) think that he or she should or should not carry out a behavior does not motivate waqif candidates. This is due to the nature of cash waqf itself, which is a voluntary act, depending on the individual, the intention in cash waqf through CWLS is decided on basis charity with the belief that this will be rewarded in the hereafter (getting a reward from Allah SWT).

This is also consistent with research by Armitage and Conner (2001) which shows that subjective norms are a weak predictor of behavioral intention. Likewise, Linden (2011) states that several numbers of charities/donations are carried out privately or anonymously and moral norms are more influential in determining behavioral intentions. This is also supported by research from Smith & McSweeney (2007) which could not validate the importance of descriptive social norms in the formation of good intentions to give charity. Other factors are

relationship characteristics, such as the quality of information and trust, so that the influence of people who are important to the respondent may not necessarily influence behavioral intentions (Shih & Fang, 2004).

The results of this study are also supported by a research report from The Millennial Impact Report: 10 Years, Looking Back (Millennial Impact, 2020), there are fundamental differences in the reasons for donating between millennials and non-millennials. In this study, the Millennial Generation is classified as the generation born in 1980 – 2000 and the Non-Millennial Generation born before 1980. All respondents in this study stated that they donated USD 250 – 2,500 in the last 24 months. From the research results, it is known that the 5 (five) main reasons for Millennial Generation donating sequentially are: 1. Wanting to participate or be part of something; 2. Supporting the mission carried out; 3. Personal satisfaction/benefit for yourself (making yourself feel better); 4. Setting an example for others; 5. Asked to donate by donor agency staff/members. Meanwhile, the 5 (five) main reasons for the Non-Millennial Generation donating sequentially are: 1. Being asked to donate by family/friends; 2. Being asked to donate by staff/members of the donor agency; 3. Setting an example for others; 4. Personal satisfaction/benefit for yourself (making yourself feel better); 5. Tax deductions. Based on the results of this study, subjective norms are not a variable that has a significant effect on the Millennial Generation's decision to donate, because 3 out of 5 reasons for donating are not influenced by perceived social pressure to do or not to do a behavior.

Perceived Behavioural Control towards intention in cash waqf through CWLS

This third hypothesis states that Perceived Behavioural Control has a positive and significant effect on intention in cash waqf through CWLS in the Muslim millennial generation. The results of this study indicate that Perceived Behavioural Control are important in influencing the millennial generation's Perceived Behavioural Control of cash waqf through CWLS. This is in accordance with the research of Shih and Fang (2004) where it was found that perceived Perceived Behavioural Controls are directly and significantly related to behavioral intentions in participating in cash waqf. This research is also in accordance with various previous studies including Haidlir et al., 2021, Azizi, et al., 2019; Osman, et al., 2016; Ratnasari & Arifin, 2017; Osman & Muhammad, 2017; Shukor, et al., 2017; and Yusoff, et al., 2017 which stated that Perceived Behavioural Control is an appropriate variable to explain intention in cash waqf through CWLS. This shows that the convenience felt by a person greatly influences the intention to endow money through CWLS. From three indicators of the Perceived Behavioural Control variable, interest to perform cash waqf is the highest indicator. This shows that the Muslim Millennial Generation has a desire to make waqf. However, the Millennial Generation feels that they do not have sufficient knowledge and adequate resources to endow money through CWLS.

Religiosity towards Intention in cash waqf through CWLS

Religiosity has a positive effect on intention in cash waqf through CWLS. Based on the t-count of 0.768 as shown in Table 2, it can be concluded that the religiosity variable has no effect on intention in cash waqf through CWLS in the Muslim millennial generation. This is

different from the results of research by Amalia et al. (2020) and Shukor et al. (2017). However, it can be supported by research from Syafiraa et al. (2020) and Laila et al (2022), who concluded that religiosity has nothing to do with the intention to pay zakat, infaq, or waqf.

This negative and insignificant effect is also in accordance with the research from Amin et al. (2011) regarding Sharia Personal Financing, research from Shabrina, et al. (2018) and Ngah (2021) which show that religiosity has an insignificant effect on behavioral intentions. Research by Khan et al., 2022 also found that intrinsic and extrinsic religiosity had no direct effect on purchase intention. However, religiosity (extrinsic and intrinsic) and halal literacy have a significant indirect relationship with most of the antecedents of behavioral intention. A negative relationship indicates that religiosity has a relationship that is not in the same direction as intention in cash waqf through CWLS. This shows that a person's religious beliefs do not necessarily affect their intention to participate in waqf for humanitarian purposes, because respondents consider that by contributing to waqf, they are contributing to the growth of society. The results of this study are also supported by a research report from Classy.org in 2020 (The Guide to Millennial Giving) that Millennials have less attachment to traditional political and religious institutions, but they are connected to personal networks of friends, colleagues, and affinity groups through social and digital media. The results of this study also suggest that Millennials tend to donate to something they care about or where they feel connected. Thus, for waqf institutions, the human side / usefulness of the results of CWLS should be emphasized more, compared to the religious side.

Trust in LKS-PWU towards Intention in cash waqf through CWLS

Trust in waqf institutions (LKS-PWU) has a positive effect on intention in cash waqf through CWLS. Based on the t-count of 3.685 as shown in Table 2, it can be concluded that the variable trust in waqf institutions has a positive and significant effect on the intention to endow money through CWLS in the Muslim millennial generation. These results indicate that trust in waqf institutions is important in influencing the millennial generation's perception of cash waqf through CWLS. This finding supports previous research by Osman et al. (2016) and Shukor et al. (2017) in Malaysia, who found that a sense of certainty and trust in waqf institutions can influence a person's positive attitude to participate in cash waqf. Based on these results, for waqf institutions, highlighting the trustworthy aspect will help encourage more participation of the Indonesian millennial generation of Muslims in cash waqf. In addition, to encourage Millennial Generation waqf candidates to participate in cash waqf through CWLS, waqf institutions must study the behavior of Muslim Millennial Generation and the things that encourage Millennial Generation to donate.

CONCLUSION

This study aims to determine the effect of several variables such as attitudes, subjective norms, perceived behavioral control, religiosity, and trust in LKS-PWU on intention in cash waqf through CWLS among millennial Muslim. Based on the results of the study it was found that Attitude, Subjective Norm, and Religiosity has insignificant effect on intention in cash

waqf through CWLS for the Muslim millennial. In the other hand, Perceived Behavioral Control and Trust has significant effect on intention in cash waqf through CWLS for the Muslim millennial. Based on the results of this study, there are several suggestions that can be given to LKS-PWU and especially BWI and other stakeholders, including:

1. Suggestion to LKS-PWU and BWI regarding waqf institutions

- a) Millennials are more concerned with impact than organization / institution. Thus, programs and content must focus on impact
- b) Always update the website and social media so that the millennial generation always gets the latest information. One of the biggest complaints of the millennial generation is when websites or social media accounts do not reflect the activities carried out by these companies, as well as a lot of missing information. Millennials expect websites and social media that are informative, responsive, and functional
- c) BWI can evaluate banking performance as an LKS-PWU, because of the 34 LKS-PWUs, all of them are Islamic Commercial Banks, BPDs and BPRS. Since the millennial generation is more concerned with impact than institutions, the millennial view of banks is not a philanthropic organization, so they are not the first choice in donating.

2. Regarding the approach to the Muslim Millennial Generation

- a) Based on the research results, Muslim Millennials are interested in cash waqf through CWLS, do not have adequate information about CWLS. So, approach them through figures who are close to the Muslim Millennial Generation, in a way that is attractive to the Muslim Millennial Generation. For example, fundraising by influencers at certain moments, such as birthdays, weddings, and so on, or involving the Millennial Generation directly in channeling the results of their assistance/donations
- b) Prove that the contribution of the Millennial Generation has an impact
Millennials want results, so the impact/benefits of the program must be the center of communication from CWLS program.
- c) Attractive monthly donation scheme for Muslim Millennial Generation
- d) Muslim Millennial is still in the stage of starting a career, although there are several groups that are more stable in their careers. Based on the results of the questionnaire, the income of the Muslim Millennial Generation is sufficient to provide cash waqf through CWLS, but not in large amounts.
- e) Must be notified (update regularly)

Related to the nature of the Muslim Millennial Generation who want to feel impacted, the development and distribution of donations from waqf must be reported regularly to the waqf.

Then, for the development of research on CWLS, there are several further studies that can be developed, including:

1. Research on the knowledge of the Muslim millennial generation regarding cash waqf, more specifically CWLS

2. Research on how the Muslim millennial generation allocates their donations/charities.

LIMITATION

There are some limitations of this study such as follows:

1. Scope of study is still limited in Jabodetabek Area
2. There might be some limitation in accessing wider scope of respondents, thus the sample in this research might not represent attitude of all Muslim Millenials
3. Respondents are Muslim Millenials in general. It did not specifically targetting Muslim Millenial who already concerned with Islamic Economy, for example Sharia Bank users.

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Millennial Muslim Behaviour towards Money during Covid-19 Pandemic Structural Equation Modelling Approach

Eva Misfah Bayuni

The millennial generation is a generation that is very reactive to environmental changes that occur around them, and also has more attention to money (wealth). This is no exception when the world is experiencing a crisis due to the Covid-19 pandemic. Millennial Muslims must adhere to ethical guidelines in accordance with Islamic sharia in any condition. This study aims to analyze millennial Muslims' behavior towards money during the Covid-19 pandemic. The research method used is Structural Equation Modelling (SEM). Data processing in this study used the Smart PLS 3.0 program. The results of data processing show that the R Square of Individual Behaviour is 0.401 or 40.1%. Furthermore, the results of the path coefficient can be concluded that of the 3 hypotheses made, 2 hypotheses are accepted and 1 hypothesis is rejected. The accepted hypotheses are money for precautionary needs and money for transaction needs. While the rejected hypothesis is money for speculative activities or contains gharar.

Keywords: Millennial Muslims, Money, and Covid-19

INTRODUCTION

One form of property that is growing very rapidly today, is money. Money is a medium of exchange in the Islamic economy, not a commodity and money is also useful for buying goods, so that human needs can be met.(1). Thus, the function of money in Islamic economics as a means of transaction or medium of exchange and unit of value or store of value. According to Chapra(2) In the Islamic money demand function, each individual also has the obligation to set aside part of his income to be allocated to Zakat, Infaq, Shodaqah and Waqf. This form of distribution is evidence of the balance of the world and the hereafter.

How individual Muslims behave towards money can be influenced by the function of money itself, followed by the factors that influence it.(3). The Islamic norms in regulating the behaviour of Muslim individuals towards money include how to get it, the limits of its use, and its distribution.

Economic behaviour is basically motivated by motivation and motivation is influenced by religious knowledge and behaviour. Religion, as a set of beliefs and guidance of Muslim life should underlie and interpret the economic behaviour of a Muslim.(4). Meanwhile, financial behaviour can be interpreted as the application of psychology in the discipline of finance. Financial behaviour is an analysis of investing using psychology in finance, which is a clear approach to how humans make investments or those related to finance are influenced by psychological factors.(5).

Generation Y is known as the millennial or millennium generation. The phrase generation Y was first used in a major US newspaper editorial in August 1993. This generation uses instant communication technologies such as email, SMS, and social media such as Facebook, Twitter and Instagram. In other words, generation Y is the generation that grew up during the internet boom era (Lyons, 2004). Juhaz (2016) shows that generation Y is a person born in 1980 - 1995.

The characteristics of generation Y according to Lyons (2004) include: the characteristics of each individual are different depending on where he grew up, the economic and social strata of his family, communication patterns are also very open compared to previous generations, fanatical social media and their lives are very affected by technological developments, they are also more open to political and economic views, so they are also very reactive to environmental changes that occur around them, they also have more attention to wealth.

At the end of 2019, the world was shocked by a virus that was claimed to have first appeared in the Wuhan area, China. The virus became known as Coronavirus. Furthermore, the Coronavirus outbreak is also known as Covid-19 which means Coronavirus Disease. Indonesia, is the largest Muslim majority country in the world with more than 87% of its people adhering to Islam. With the covid-19 outbreak that has an impact on the Indonesian economic sector, it will also more or less affect the behaviour of individual Muslims.

How does motivation affect the economic behaviour of a Muslim? Based on this background, this research aims to analyse the behaviour of Muslim individuals towards money during the Covid-19 pandemic.

RESEARCH METHODOLOGY

This research uses quantitative research methods by analysing data in the form of numbers using field research. The object of research in this case is the Muslim community of West Java. Respondents in this study were 328 people with convenience sampling technique. While the data source used in this research is primary data. Primary data obtained is data from questionnaires distributed to respondents in the field. The measurement scale used is Likert from 1 (strongly disagree) to 4 (strongly agree).

After the necessary data is collected, the next step is to process and analyse the data. The processing and analysis method used is SPSS 17 software for validity testing and Smart PLS 3.0 for model analysis. The validity test uses the Pearson correlations method. Smart PLS uses the Structural Equation Modeling (SEM) method. Evidence of questions on each indicator is said to be valid if it has an r table value. Meanwhile, the questionnaire is said to be reliable if it has a Cronbach's alpha value above 0.6.

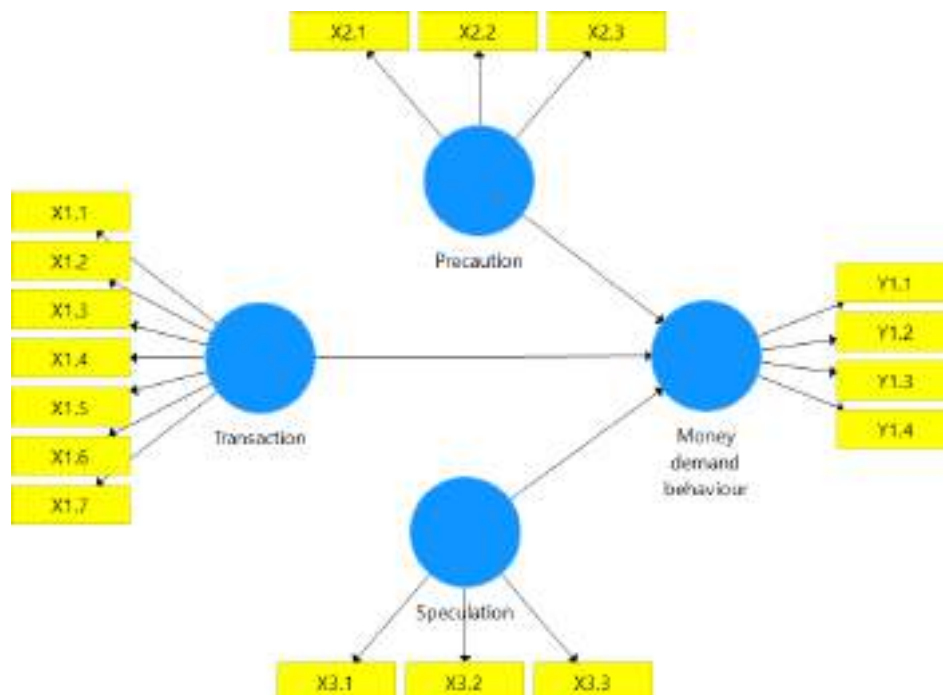
The analysis tool uses variance-based SEM method or better known as alternative SEM method with Partial Least SEM (PLS SEM). PLS SEM is used because it is considered the most suitable for research that aims to develop theory at an early stage and can also be used to build a relationship that has no theoretical basis.(12).

The variables used in this study are endogenous latent variables, namely variables whose values are not influenced by other variables. So, each exogenous variable is an independent variable. The following variables are endogenous variables that are considered to be influenced by other variables (independent). The operational variables can be seen in the table below:

Table 1. Operational Variables

Endogenous Variable	No.	Exogenous Variables	Reference
Money for Transaction Needs	X1	Money as income	Chapra(5) Umam(6)
	X2	Allocation of money for goods and services	Chapra(5)
	X3	Money allocation for current account	Chapra(5) Ascarya(9)
	X4	Allocation of money for savings	Chapra(1) Ascarya(9)
	X5	Allocation of money for activities and buying luxuries	Chapra(1)
	X6	Allocation for non-beneficial expenditure	Chapra(1)
	X7	Allocation for other needs	Chapra(1)
	X8	Value for money perspective compared to Inflation	Chapra(1) Umam(3)
	X9	Allocation of money for zakat, infaq,	Chapra(1)

		shadaqah and Waqf activities	Umam(3)
	X10	Allocation of money for accidents and calamities	Chapra(1)
	X11	Allocation of money for deposits (return)	Chapra(1) Ascarya(9)
	X12	Allocation of money for investment in real assets	Chapra(1)
	X13	Allocation of money for investment in financial assets	Chapra(1)
	Y1	How to earn money	Umam(3)
	Y2	Restrictions on the use of money (halal lifestyle)	Umam(3)
	Y3	Money distribution	Umam(3)
	Y4	Moderate, Productive and Stable	Umam(3)



RESULTS

Respondent Characteristics

The results showed that there were more female respondents than male respondents. The ratio of female respondents was 63.3% and male respondents was 37.7%. The age of respondents is a millennial generation group, namely in the age range of 22 to 41 years. The majority of customers have an undergraduate education background, namely 55% and the dominance of work is as a private employee at 27.1% and then academics, housewives and entrepreneurs. As for income per month, it is dominated by respondents who have a middle income of 1-5 million per month at 45%.

Processing Results with SEM PLS

Table 1. Outer Loading

	Individual Behaviour	Money for Precautionary Needs	Money for Transaction Needs	Money for Speculative Activities
X1.1			0.648	
X1.2			0.621	
X1.3			-0.069	
X1.4			0.781	
X1.5			0.048	
X1.6			0.185	
X1.7			0.649	
X2.1		0.740		
X2.2		0.820		
X2.3		0.763		
X3.1				0.663
X3.2				0.792
X3.3				0.670
Y1.1	0.860			
Y1.2	0.844			
Y1.3	0.895			
Y1.4	0.617			

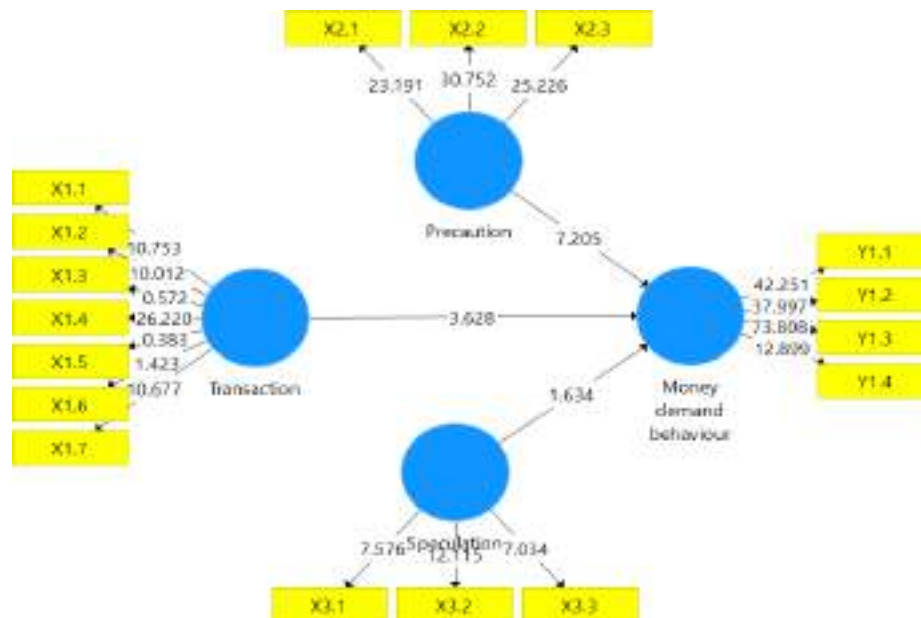
Based on the analysis results, out of a total of 17 indicators, only 3 indicators have a loading factor value below 0.6, meaning that the model is feasible to proceed to the next stage. The internal consistency of items was evaluated using composite reliability (CR), Cronbach's alpha (α) and AVE. The range of composite reliability values is between 0.615 and 0.883, and the range of Cronbach Alpha values is shown between 0.545 and 0.819. Meanwhile, the AVE value is acceptable if the value is greater than 0.50. The composite reliability (CR), Cronbach's alpha (α) and AVE values can be seen in Table 2.

Table 2. Construct Validity and Reliability

	Cronbach's Alpha	composite reliability (CR)	AVE
Individual Behaviour	0.819	0.883	0.659
Money for Precautionary Needs	0.669	0.818	0.601
Money for Transaction Needs	0.659	0.615	0.268
Money for Speculative Activities	0.545	0.753	0.505

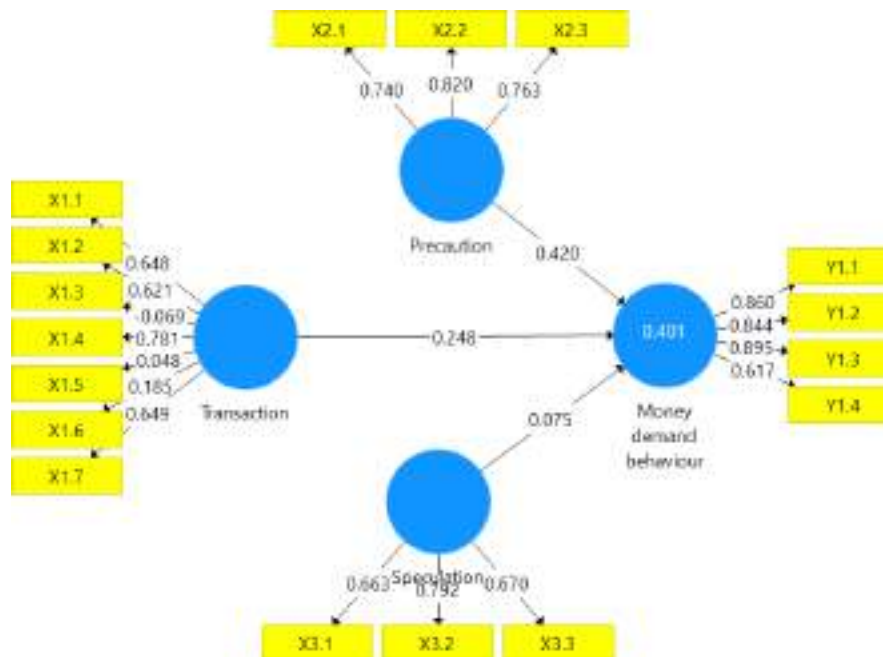
The results of data calculations with SEM PLS software show that of the three motives for holding money, only two variables have a significant influence on the behaviour of Muslim

individuals towards money, namely the need for money for transactions and the need for money for precautions. While the variable of money for speculation activities or activities that contain gharar has no effect on the behaviour of Muslim individuals. These results are in line with Islamic money demand theory where the motivation to hold money consists of only two motives, namely transactions and precautions.



In assessing a research model, SEM PLS needs to pay attention to several assessment criteria that must be met. The loading factor criteria show that there are three indicators that are declared invalid, namely with a value below 0.6. In the model built in this study, there are only 3 indicators that are declared invalid, meaning that the model is feasible to continue.

Analysis of Millennial Muslim Behaviour towards Money SEM Approach



The R square value of the endogenous variable is 41%, the remaining 59% is explained by other variables. The value of the R square of the endogenous variable calculates the structural model as a moderate model. It can be said that all goodness of fit criteria have been met in this study (Table 2). According to Chin (1998) in Ghazali and Latan (2015) the value of R square above 0.30 can be said that the influence of exogenous latent variables on endogenous variables is moderate.

After evaluating the measurement model, the next stage in the structural model is to find out whether the hypothesis can be accepted or rejected. This study uses a significance value of 0.05 or 5%. The relationship between variables will be significant if the P-value is smaller than the predetermined significant value ($P < 0.05$). The results of the path coefficient can be seen in Table 4. From Table 4, it can be concluded that of the 3 hypotheses made, 2 hypotheses are accepted and 1 hypothesis is rejected (H3). Both hypotheses are significant (H1 and H2) because the T-statistic value is > 1.97 (t-table) and the P-value has a value less than 0.05.

Table 4. Path Coefficient

	Hypothesis	β	St.Dev	T-stat	P-value	Hypothesis
H1	Money for Precautionary Needs→ Individual Behaviour	0.420	0.058	7.205	0.000	Accepted
H2	Money for Transaction Needs→ Individual Behaviour	0.248	0.068	3.628	0.000	Accepted
H3	Money for Speculative Activities→ Individual Behaviour	0.075	0.046	1.634	0.103	Rejected

From the explanation of the research results, statistically the research hypotheses that have been made in the previous section can be answered as follows:

H1: Money for Precautionary Needs variable has a positive effect on Muslim Individual Behaviour □ H1 accepted

H2: Money for Transaction Needs variable has a positive effect on Muslim Individual Behaviour □ H1 accepted

H3: Money for Speculative Activities variable has no effect on Muslim Individual Behaviour □ H0 accepted

Implications of Millennial Muslims' Behaviour towards Money

The two variables that have a positive effect on millennial Muslim behaviour are money for transaction needs and money for precautionary needs. The variable that has the highest path coefficient value is money for precautionary needs compared to money for daily needs.

From these results, the motives of millennial Muslims during the Covid-19 pandemic are mostly very concerned about incidental needs. This can be caused by the Covid-19 Pandemic which makes people more vigilant and more on guard against conditions that can occur at any time.

The indicator of the need for money for precautions that has the highest coefficient value is money for the allocation of zakat, Infaq, Shadaqah and waqf. This shows that the priorities of millennial Muslims during the Covid-19 pandemic remain hereafter- oriented. The second priority is the need for precautions if at any time a disaster occurs. Furthermore, money for precautions due to economic conditions or inflation which results in changes in the value of currency.

In the second variable, namely the need for money for transactions, each indicator has a high coefficient value except for the allocation for current accounts, luxury goods and useless expenditure. These three indicators also have very low loading factor values. Based on this data, it proves that the responses have a strong and consistent commitment to the distribution of money owned. This is also in line with the indicator on the need for precautionary money.

CONCLUSIONS AND SUGGESTIONS

Conclusion

Based on the results of the path coefficient in table 4, it can be concluded that 2 of the 3 hypotheses made contribute significantly and are supported. However, the Money for Speculative Activities path does not contribute significantly to Individual Behaviour because the value ($\beta = 0.062$, $p < 0.135$). Therefore, Hypothesis 3 is rejected.

Variable money for precautionary needs each indicator has a high coefficient value. The first indicator is the allocation for zakat, Infaq, shadaqah and waqf. The second, third variable is money for precautions against calamities and as a result of economic conditions or inflation which results in changes in the value of currency.

In the second variable, namely the need for money for transactions, each indicator has a high coefficient value except for the allocation for checking accounts, luxury goods and useless expenditure.

The results of data processing show that the R Square of Individual Behaviour is 0.401 or 40.1%. Furthermore, the results of the path coefficient can be concluded that of the 3 hypotheses made, 2 hypotheses are accepted and 1 hypothesis is rejected. The accepted hypotheses are money for precautionary needs and money for transaction needs. While the rejected hypothesis is money for speculative activities or contains gharar.

Advice

For future research to further examine the variables of activities that contain gharar by Muslim individuals. The selection of respondents can be specialised to bank customers who have current accounts and or Islamic capital market investors, etc.

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Guidance and Counseling Program Based on Developmental Task Analysis (ATP) for Students of SMPN 19 Bogor

Noneng Siti Rosidah, Laila Cipta Ningrum

Adolescents have their own challenges in achieving their developmental tasks. In the teenage phase, many changes occur within him, both physical and psychological. So, thorough preparation is needed to be able to adapt to these conditions. Education is an important forum for teenagers to be able to achieve developmental tasks well according to their age. One of them is through a comprehensive guidance and counseling service program which is prepared based on student needs. ITP and ATP are non-test instruments used to measure students' achievement of developmental tasks and can then be used as a basis for developing a guidance and counseling program. This research uses a mix method approach. The subjects of this research were 38 class 7B students at SMPN 19 Bogor. The research results show that all aspects have been achieved and the highest level of achievement of student development tasks is at level 4, namely self-awareness. However, there are several aspects of development that are slightly below average that need to be improved, including aspect 1 (foundation of religious life) with a score of 3,467, aspect 2 (foundation of ethical behavior) with a score of 3,599, aspect 5 (awareness of responsibility) with a score of 3,566 and aspect 9 (career insight and readiness) with a score of 3,579. The results of this research can be input for teachers in developing a comprehensive BK program according to students' needs.

Keywords: Developmental Task Inventory (ITP), Developmental Task Analysis (ATP), Guidance and Counseling Program.

INTRODUCTION

Humans are creatures that grow and develop. In psychology, individuals experience several phases of development which are passed gradually and continuously. Each phase of development has certain developmental tasks that must be achieved by the individual. If in one phase of an individual's development there are developmental tasks that have not been achieved, then the individual is vulnerable to encountering problems in the next phase. Education is an important place for individuals to achieve their developmental tasks as described in the Student Independence Competency Standards (SKKPD). Through education, individuals can develop personal potential, spiritual maturity, self-control, social skills and independence (Sugiyanto, 2019).

Students at the Junior High School (SMP) education level are in the age range of 12 to 15 years, this age is included in the teenage phase. The adolescent phase is a transition phase from the childhood phase, so that in this phase individuals experience many adjustments because there are many changes that occur in the individual, both physical and psychological changes in the individual. As according to Anna Freud in Jahja, changes occur in the adolescent phase, such as psychosexual development, changes in relationships with parents and changes in future orientation such as ideals (Yudrik Jahja, 2011).

The changes that occur in the teenage phase are a challenge for them to be able to adapt to their conditions. Jatmika explained several difficulties that usually arise in adolescence, such as: a) the desire to gain freedom; b) easily influenced by friends or the environment; c) variations in mental conditions (self-isolation, depression, etc.); d) high curiosity (wanting to try new things); e) anti-social behavior (aggressive, likes to lie, etc.); to f) drug abuse (Sidik Jatmika, 2010).

Furthermore, research shows that teenagers are vulnerable to experiencing stress in dealing with their development. Symptoms experienced by teenagers include difficulty concentrating, dizziness, and difficulty holding back emotions when facing problems. Stress levels in adolescents can be influenced by gender, which is related to the life roles of men and women (Khasanah & Mamnuah, 2021). Developmental tasks in the adolescent phase include emotional maturity, development of heterosexuality, cognitive maturity and philosophy of life (Saputro, 2018).

Based on the results of observations at the research location, several problems that occurred included friendly interactions between students, passivity in the learning process, and there were some students who tended to be isolated. In this environment there are still several students who form certain circles, so that other students are neglected. Apart from that, awareness of religious practices is still low, low career understanding and quite a few problems arise regarding dating.

There are many problems that arise in adolescence, it is important for guidance and counseling teachers to identify developmental problems in their students. One instrument that can be used to measure students' level of development is the ITP (Developmental Task Inventory) and ITP analysis using ATP (Developmental Task Analysis) software. With the ITP

instrument, teachers can understand the level of development of students both individually and in groups. Identifying problems that hinder development and helping students who have difficulty achieving their developmental tasks. Based on the results of ITP measurements, it can be a basis for teachers in developing guidance and counseling programs that can help students achieve developmental tasks in the adolescent phase and optimize their competencies. The ITP for Junior High School instrument measures the level of development of ten aspects, namely: (1) foundation of religious life, (2) foundation of ethical behavior, (3) emotional maturity, (4) intellectual maturity, (5) awareness of responsibility, (6) social role as male or female, (7) self-acceptance and development, (8) independent economic behavior, (9) career insight and preparation, (10) maturity of relationships with peers.

LITERATURE REVIEW

A. Guidance And Counseling Programs

Guidance and counseling services are assistance services that can be accessed by all students without certain conditions. Because guidance and counseling services are preventive (prevention) and curative (repair). Preventive efforts in guidance and counseling are expected to be able to prevent and minimize the occurrence of problems. Students are expected to be able to sort out actions and attitudes that support achieving individual development tasks according to their development phase. So the program prepared by the guidance and counseling teacher/counselor aims to meet the needs of students according to their stage of development (Bhakti, 2017).

Minister of Education and Culture Regulation Number 111 of 2014 explains guidance and counseling in primary and secondary education. The implementation of the guidance and counseling service program in Indonesia uses a comprehensive guidance and counseling pattern that focuses on individual development. implementation of the guidance and counseling program is then accompanied by program evaluation to measure the success of program implementation (Putri, 2019).

The American School Counselor Association (ASCA) states that guidance and counseling programs must be comprehensive because they are the basis for improving the learning process in accordance with academic, personal, social and career standards (ASCA, 2012). Uman Suherman further said in Bhakti that comprehensive guidance and counseling is based on developing individual potential. The comprehensive guidance and counseling service program contains several principles, including: a) the subjects of guidance and counseling services are all students; b) learning activities focus on student development; c) cooperation between guidance and counseling teachers, all school officials and parents; d) the guidance and counseling program is well organized and planned; e) focus goals on self-acceptance, self-understanding and self-improvement; f) focus on process; g) teamwork oriented and service delivery by trained counselors (refereall follow-up); h) is flexible and sequential (Bhakti, 2017).

The components of a comprehensive guidance and counseling program based on the document structuring professional counselor education and guidance and counseling services explain that there are four components of comprehensive counseling, including:

a. Basic service

Basic services include preparatory activities for providing structured experience, information and assistance through classical or group services that are systematically arranged for the development of long-term behavior in accordance with individual development tasks based on Student Independence Competency Standards (SKKPD).

b. Individual planning services

Individual planning services are designed to provide assistance to clients to have the ability to formulate or plan the future based on the individual's potential and take advantage of existing opportunities.

c. Responsive service

This service is intended for clients who need immediate assistance in solving their problems, because if they do not receive immediate assistance it could have an impact on the achievement of their next development tasks. This service can take the form of individual counseling carried out between the counselee and the counselor, even if it cannot be resolved, a referral is immediately made to the case.

d. System support

System support is a component that is no less important in the success of guidance and counseling services. System support takes the form of management activities, governance, development of information and communication technology assistance which aims to facilitate the comfort of clients while receiving services (Departemen Pendidikan Nasional, 2007).

Based on the explanations above, it can be understood that the guidance and counseling program is an important part that must be prepared by the guidance and counseling teacher/counselor. The BK program is prepared systematically according to student needs. Analysis of student needs (need assessment) can be carried out using test or non-test instruments. Test instruments include IQ tests, aptitude tests, personality tests, etc. Meanwhile, non-test instruments such as questionnaires, interviews, sociometry, ITP (Developmental Task Inventory)-ATP (Developmental Task Analysis), AUM (Problem Revealing Tool), DCM (Problem Checklist), etc.

B. Development Task Analysis (ATP)

Developmental Task Analysis (ATP) is a medium in the form of software designed as a tool to help process data from the ITP (Developmental Task Inventory) instrument results. ITP itself is a non-test instrument that can be used to measure the level of achievement of students' developmental tasks. This instrument was developed by Prof. Sunaryo Kartadinata and his team.

An inventory is a tool for assessing and assessing the presence or absence of certain behavior, interests, attitudes, and so on, usually the inventory takes the form of a list of questions/statements that must be answered (Chaplin, 2004: 260). Referring to the definition above, it can be concluded that inventory is a method for understanding individuals by providing a number of statements that respondents must answer/choose according to their circumstances. The respondent's answers are then interpreted (understood) by the data collector regarding the respondent's condition, and the respondent understands his own situation.

The Developmental Tasks Inventory (ITP) is an instrument used to understand an individual's level of development. The preparation of the ITP is intended to support guidance and counseling activities in schools. The ITP is prepared in the form of four inventory books, each to understand the development of students at elementary, middle school, high school and college levels. Instrument development refers to Loevinger's theory of self-development which consists of seven levels (Komalasari, 2011):

- 1) Impulsive level, characterized by placing one's identity as separate from other people. Behavioral patterns that require and depend on the environment as a source of rewards and punishments, and are present oriented (not oriented to the past or future). Individuals do not place themselves as the causal factor of behavior.
- 2) The level of self-protection, characterized by concern for control and the benefits that can be obtained from dealing with other people. Following rules opportunistically and hedonistically (self-pleasing principle). Think not lois and stereotypes. Tends to see life as a "zero-sum game". Tends to blame and criticize others with the environment.
- 3) Conformistic level, has characteristics including (1) caring about personal appearance and social acceptance, (2) tends to think stereotypically and clichéd, (3) cares about external rules, (4) acts with shallow motives (to get praise), (5) equalizing oneself in expressing emotions, (6) lack of introspection, (7) group differences are based on external characteristics, (8) fear of not being accepted by the group, (9) insensitive to individuality, and (10) feeling guilty if breaking the rules.
- 4) Level of self-awareness, has characteristics including (1) being able to think alternatively, (2) seeing hope and various possibilities in situations, (3) caring about taking advantage of existing opportunities, (4) problem solving orientation, (5) thinking about how to live, (6) adapting to situations and roles.
- 5) The conscientious stage, which has characteristics including (1) acting on the basis of internal values. (2) able to see oneself as a choice maker and agent of action, (3) able to see the diversity of emotions, motives and perspectives of oneself, (4) care about mutualistic relationships, (5) have long-term goals, (6) tend to see events in terms of social context, (7) thinking more complexly and on the basis of analysis.
- 6) Individualistic level, has characteristics including (1) increased awareness of individuality, (2) awareness of the emotional conflict between independence and dependence, (3) becoming more tolerant towards oneself and others, (4) recognizing

the existence of individual differences, (5) able to be tolerant of contradictions in life, (6) distinguish between internal life and external life, (7) recognize complexity and (8) care about development and social problems.

- 7) Level of Autonomy, has characteristics including (1) having a view of life as a whole, (2) tends to be realistic and objective towards oneself and others, (3) cares about abstract ideas such as social justice, (4) is able to integrate conflicting values, (5) care about self-fulfillment (satisfaction of one's needs), (6) have the courage to resolve internal conflicts, (7) respect for the independence of others, (8) be aware of interdependence with others, and (9) able to express feelings with confidence and cheerfulness.

In the ITP, there are 10 aspects measured for elementary and middle school students, while for high school and college students there are 11 aspects, namely: 1) religious basis of life; 2) foundation of ethical behavior; 3) emotional maturity; 4) intellectual maturity; 5) awareness of responsibility; 6) social role as male or female; 7) self-acceptance and development; 8) independence of economic behavior; 9) career preparation area; 10) maturity of relationships with peers; 11) prepare yourself for marriage and family life.

Advantages and Disadvantages of ITP Like most assessment tools, ITP has advantages and disadvantages. The advantages of ITP include:

- 1) Through the ITP score, counselors can more easily understand the individual's level of development.
- 2) Assessment tools that can be used as a basis for determining guidance and counseling programs based on individual development.
- 3) Processing of ITP results can be done quickly because it is equipped with a computer-based ATP processing program version 3.5.

Meanwhile, the shortcomings or limitations include:

- 1) Cannot be used as a selection tool, either to determine graduation or for placement.
- 2) The ITP score has not been tested for its relationship with developmental aspects or other personality aspects, so it cannot be used to predict personality aspects completely.
- 3) ITP as a basis for developing guidance models in higher education has been tested empirically. However, the number of trial schools is still limited.
- 4) The use of ATP among the wider community is still in its early stages, so input for improving ITP and ATP is still expected from users.

C. Adolescent Phase

Adolescent development is characterized by a variety of positive and negative behaviors. Individual behavior is actually greatly influenced by the environment. Resistant, unstable, restless behavior often appears in the teenage phase because of new demands or needs that need adjustment. At this stage, teenagers really need support and

understanding from the environment, especially parents, regarding the condition of teenagers who are looking for their identity (Berzonsky, 1990).

According to Mappaiare, the adolescent phase is divided into two categories, namely early adolescents aged 12-17 years (junior middle level), and late adolescents aged 18-22 years (upper middle level). Of course these two categories have different characteristics. The characteristics of early adolescents include emotional/feeling instability, changes in attitudes and morals, status that is difficult to determine between children and adults, vulnerable to identity crises, curious to try new things, very easily influenced by the environment. While the characteristics of late adolescents include: self-stability begins to form well, can take a good and realistic attitude, calmer in solving problems (Andi Mappiare, 1982).

Each phase of individual development has developmental tasks that must be achieved in each phase. The following are the tasks of adolescent development according to Havigurst (Widy Setyowati, 2018):

- a. Achieve more mature relationships with peers and the opposite sex
- b. Able to accept physical conditions and able to function the body effectively
- c. Able to achieve emotional independence
- d. Able to carry out social roles well
- e. Able to behave responsibly and tolerantly
- f. Able to prepare yourself for a career
- g. Able to prepare yourself to start a family
- h. Understand and implement ethical values and systems in society

RESEARCH METHODOLOGY

This research uses a mix method approach. According to Creswell, mix method design is a research procedure with techniques for collecting data and analyzing data using a combination of qualitative and quantitative methods, to obtain more complete results about research problems. (Creswell, 2012). The aim of this research is to design a guidance and counseling program based on the results of developmental task analysis (ATP).

This research was carried out at SMPN 19 Bogor. The subjects of this research were students at SMP Negeri 19 Bogor Class 7B with a total of 38 students consisting of 17 men and 21 women. Determining research subjects used purposive sampling, because it focused on class 7B students only.

The first stage carried out was to identify students' needs using the ITP instrument, then the data results were processed using ATP to obtain an overview of the level of achievement of developmental tasks for class 7B students at SMPN 19 Bogor. The second stage, after obtaining the results of the developmental task analysis, continues with formulating a guidance and counseling program according to student needs.

RESULT AND DISCUSSION

The aim of this research is to determine the profile of students' developmental task achievement based on the results of developmental task analysis. Then proceed with designing a guidance and counseling program. Below is an explanation of the research results:

A. Student Development Task Achievement Profile

Based on the results of the analysis using the ATP application, the results of the development group profile of class 7B students at SMPN 19 Bogor were obtained.

1) Group Profile

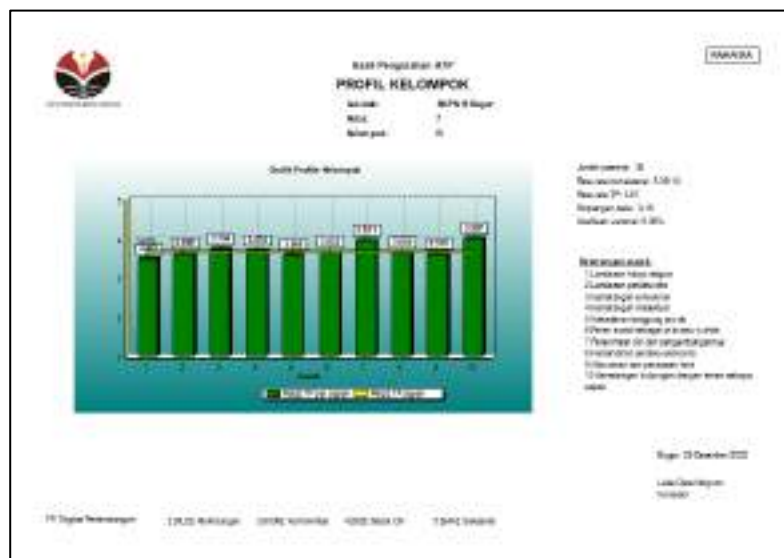


Figure 1 Group Profile of Development Task

The graph above shows that the results of group analysis can be seen to the right of the information about the group. This group profile shows the maturity characteristics of the group, including:

1. Number of Participants: 38 students
2. Average consistency: 5.39/10
3. Average TP: 3.67
4. Standard Deviation: 0.165.
5. Coefficient of Variance: 6.06 %

The group profile above identifies the level of each aspect of student development as a group, both what has been achieved and what has not been achieved. Based on the group profile graph above, in this group there is a very high aspect (exceeding the average developmental task), namely number 10 aspect of maturity of relationships with peers with a score of 3.98. Meanwhile, scores slightly below the average line for developmental tasks are number 1 (foundation of religious life), 2 (foundation of ethical behavior), 5 (awareness of responsibility) and 9 (career insight and readiness). However, overall, the development task of class 7B students at SMPN 9 Bogor was almost achieved perfectly.

2. Consistency Frequency Distribution



Figure 2 Consistency Frequency Distribution

The consistency frequency distribution shows the level of seriousness or consistency of students in answering the questionnaire that has been given. From this graph you can see the number of students who obtained consistency scores and at the bottom there are also group statistical calculations including an average of 5.39/10, a standard deviation of 2.52 and a coefficient of variance of 46.72%.

3. The Eight Highest Items of the Group

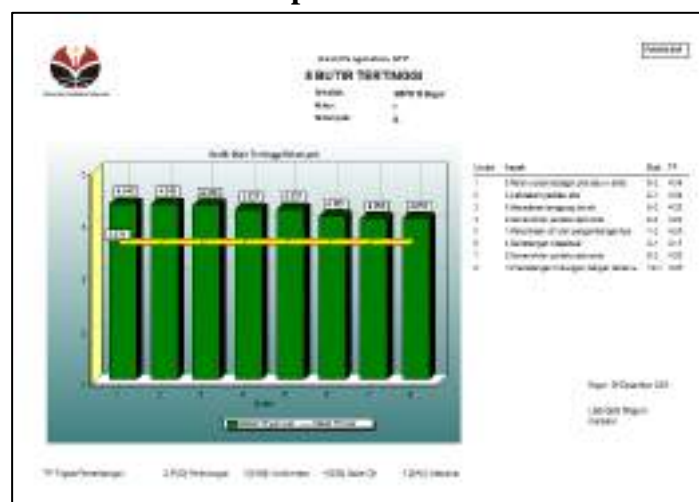


Figure 3 The Eight Highest Items of the Group

This section displays the eight highest items but not the aspects with their respective scores. On the horizontal axis is displayed the ranking of items based on scores. The item names can be seen in the table below. The vertical axis shows the score of each item. In the ATP results above it can be seen that:

- a) Aspect number 6 social role as a man or woman point 6-2 achieved a score of 4.34.
- b) Aspect number 2 Foundations of ethical behavior point 2-1 achieved a score of 4.34.
- c) Aspect number 5 awareness of responsibility point 5-2 achieved a score of 4.32.
- d) Aspect number 8 independence of economic behavior point 8-3 achieved a score of 4.24.
- e) Aspect number 7 self-acceptance and development point 7-2 achieved a score of 4.24.
- f) Aspect number 4 intellectual maturity point 4-1 achieved a score of 4.11.
- g) Aspect number Independence of economic behavior point 8-2 achieved a score of 4.05.
- h) Aspect number 10, maturity of relationships with peers, item 10-1 achieved a score of 4.05

4. Eight Lowest Items of the Group

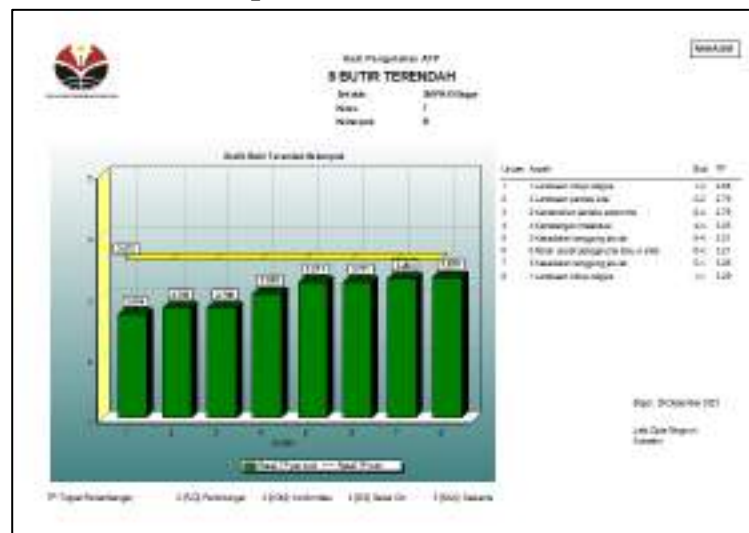


Figure 4 Eight Lowest Items of the Group

This section displays the eight lowest items but not the aspects with their respective scores. On the horizontal axis is displayed the ranking of items based on scores. The item names can be seen in the table below. The vertical axis shows the score of each item. In the ATP results above it can be seen that:

- a) Aspect number 1, foundation of religious life, points 1-3 achieved a score of 2.68.
- b) Aspect number 2, foundation of ethical behavior, point 2-2, achieved a score of 2.79.
- c) Aspect number 8, independence of economic behavior, point 8-4 achieved a score of 2.79.
- d) Aspect number 4 intellectual maturity point 4-4 achieved a score of 3.03.
- e) The awareness of responsibility aspect number 5-4 achieved a score of 3.21.
- f) Aspect number 6 social role as a man or woman point 6-4 achieved a score of 3.21.
- g) Aspect number 5 awareness of responsibility point 5-1 achieved a score of 3.26.

h) Aspect number 1, foundation of religious life, item 1-1 achieved a score of 3.29.

The developmental tasks based on the group profile described above can be concluded that the highest developmental tasks for SMPN 19 Bogor class 7B students are at level 4, namely self-awareness, the lowest are at level 2, namely self-protection. Meanwhile, at the maximum at junior high school level, developmental tasks must reach a thorough level. The characteristics of the level of development of self-awareness are: (a) being able to think alternatively, (b) seeing hopes and various possibilities, (c) problem solving orientation.

Meanwhile, aspects of student development that are still below average are number 1 (foundation of religious life), 2 (foundation of ethical behavior), 5 (awareness of responsibility) and 9 (career insight and readiness). So that the preparation of the BK program can be based on the two results of the analysis above.

B. Guidance And Counseling Programs

According to Lovinger's theory, the development level of students aged 12-15 years or at junior high school level must reach development levels 1 to 5, namely self-protection, conformism, self-awareness and conscientiousness. Based on the ATP analysis results, most students are already at the self-aware level, but there are still some students who are at the self-protective and conformistic level. So several BK programs that can be formulated are:

Table 1 Guidance and Counseling Comprehensive Programs

Service Component s	Activities	Purpose	Topic	Goal	Strategy	PJ
Basic service	Classical Guidance	Internalization of worship	The virtues of punctual fardhu prayer and sunnah prayer	All Grade 7 Students	Lectures Discussion Structured experience	BK Teacher
	Group Guidance	Internalization of the values of religiosity	Qur'an reading guidance	All Grade 7 Students	Lectures Discussion Structured experience	BK Teacher
	Classical Guidance	Internalization of human social values	Tolerance and responsibility	All Grade 7 Students	Lectures Discussion Structured experience	BK Teacher
	Classical Guidance	Able to understand the profession, duties and responsibilities	Introduction to the profession	All Grade 7 Students	Lectures Discussion Structured experience terstruktur	BK Teacher
Individual	Individual	Students are able	Dream tree	All	Lectures	BK

Planning	and group guidance	to plan for the future and learn to make decisions		Grade 7 Students	Discussion	Teacher
Responsive Service	Individual Counseling	Explore and help with individual counseling issues	Interview individuals and those around them if needed	All Grade 7 Students	Individual	BK teachers and related parties
	Expert Collaboration	Hand over cases if the problem cannot be handled properly	Consultation with expert	All Grade 7 Students	Individual	BK teachers and related parties
System Support Services	BK program preparation	As a guideline for BK teachers in carrying out BK services	Program Development	BK teachers and related parties	Teamwork	BK teachers and related parties
	Collaboration with outside parties	As a consideration in the preparation and implementation of the program Improving the quality of BK teachers/counselors	-Comparative study - Training	BK teachers and related parties	Teamwork	BK teachers and related parties
	BK administration and management	Optimization of services to run systematically, consistently and effectively	Utilization of technology and information	BK teachers and related parties	Teamwork	BK teachers and related parties

CONCLUSION

The development task profile of students at SMPN 19 Bogor is highest at the level of self-awareness. Meanwhile, the score on the student development aspect is slightly below the average line for developmental tasks at number 1 (foundation of religious life) with a score of 3,467, aspect 2 (foundation of ethical behavior) with a score of 3,599, aspect 5 (awareness of responsibility) with a score of 3,566 and aspect 9 (career insight and readiness) with a score of 3,579.

Based on the results of the developmental task analysis above, it can be a basis for guidance and counseling teachers/counselors in preparing programs according to students' needs. Several guidance and counseling programs offered follow a comprehensive pattern which includes basic services, individual planning, responsive services and system support. The BK program offered aims to improve student development in the field of worship, internalize the values of religiosity and responsibility, as well as understanding and career decisions.

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The Impact of Optimistic Attitudes on the Career Prospects of Students of KPI Institute of Tazkia

Tengku Siti Nurhaliza, Muhammad Fahmi Zaidan, Aulia Maharani Imani Fatihah

The study discusses the influence of optimism on the career maturity of students of the Islamic Broadcasting Communication Studies Program (KPI) at the Tazkia Institute, Bogor. The attitude of optimism, defined as a positive view of life and good expectations of the future, is linked to career maturity, that is, the maturity of individual behavior in the face of career development tasks. According to Seligman's theory, the attitude of optimism is reflected in the individual's style of explanation of events, with three main dimensions: permanence, pervasiveness, and personalization. The study uses a quantitative approach and involves 18 21st grade KPI students as research subjects. The research instrument is a questionnaire that measures the attitude of optimism and career maturity of students. Data analysis is done using simple linear regression with the application of SPSS 22. The results of the research show that there is a positive influence of the attitude of optimism on the career maturity of KPI students, optimism contributes to the student career maturing. This study contributes to an understanding of the factors that influence the career maturity of KPI students and the relevance of optimistic attitudes in the context of their career development.

Keywords: Optimistic attitude, career advancement, student of KPI Institute of Tazkia.

INTRODUCTION

There are a variety of factors that make an individual grow into a person who is optimistic about the future. Some factors include well-being, coping, physical health, social environment, socio-economic status, and culture. (Carver et al., 2010). Individuals who are in a limited social environment tend to have a pessimistic character. The lack of relationships in the social environment can lower the individual's optimism about acceptance of himself in the future society. If faced in a situation like this, it will affect the emotional well-being of the individual and increasingly make the individual pessimistic about his survival in the future.

Such conditions the researchers found in a student of the 21st generation Islamic Broadcasting Communication (KPI) study program at the Tazkia Institute, Bogor. Based on the statement given by one of the students, he stated that there was a sense of excitement within them regarding the career journey after completing his education. This claim is supported by the fact that their troops were the first troops of the KPI study program at the Tazkia Institute. The absence of brothers and sisters and alumni makes the students of the KPI study program not have a container to share information and exchange thoughts around the lectures. The path to expanding relationships is also small. Meanwhile, the social environment becomes one factor of the individual's optimistic attitude.

In the educational landscape, students often show a lot of knowledge and understanding about their future career prospects; nevertheless, the career-related decision-making process often presents significant challenges for them. (Khoifah et al., 2023, h. 161). Asy'ari and Zuhdi (2023, p. 10-12) mention that in every stage of development that each individual undergoes, selection and self-preparation becomes one of the important tasks before expanding a future career. One can define the aspirations and goals of his life and pour those two things into the career to be chosen later. Later, Thasfa (2023, p. 582) stated that individuals need to prepare through mature career planning before they can plunge into the world of career. Individuals must learn how to plan for the future and understand the advantages of such planning to improve their career maturity. (Ghassani et al., 2020, h. 123).

Based on the data exposure above, the researchers wanted to test whether the attitude of optimism influenced the career maturity of students of Islamic Broadcasting Communications. Therefore, researchers raised the title "The influence of attitudes of Optimism on the career achievement of students in Islamic broadcasting communications".

LITERATURE REVIEW

Optimism

The word optimism or optimism comes from the Latin optimum which means "best". In philosophy, an optimist means that this world is the best of all worlds, or, in ethics, that this life is worth living. Optimism is a good view in the face of the world's situation. Optimists believe that a defeat is only a temporary setback that is not caused by their mistakes, so optimists will not be affected by the defeats. (Seligman, 1998, h. 4-5). The attitude of optimism is like a veil that protects the injustice present in the world. The individual is unlikely to lead

an optimistic life when it is accompanied by feelings of insecurity or confidence that he or she will fail in the process of developing. (James, 1902).

Carver and Scheier (in Sabiq & Miftahuddin, 2017, p. 187), define optimism as a reflection of how far an individual has good hopes about their future. Similarly, as Chang (2001, p. 191) put it, optimistic individuals are those who expect good experiences in the future. Optimism is the expectation of every individual that something will go well (Lopez et al., 2003).

The explanatory style of an individual in describing the events they experience is closely related to how the individual views the events that occur. Thus, the style of the explanation is rooted directly in the individual's view of his position in an event. Seligman (1998, p. 44) explains that the explanatory style is a way of thinking learned from children and adolescents.

According to Seligmann (1998), there are three dimensions of explanatory style that can indicate an individual's optimistic or pessimistic attitude, namely permanence, pervasiveness, and personalization. Multasih & Suryadi (2013) in his research explains the three dimensions of the explanatory style First, permanence. This aspect relates to the duration of an event that occurs, divided into temporary and permanent. (permanent). A pessimistic person will see bad events as permanent events and good events as temporary events. However, an optimist person will consider bad events to be temporary and good ones to be permanent. Second, pervasiveness. This aspect relates to the scope of events, divided into specific and universal. The pessimistic individual believes that bad events have universal properties and good events have specific properties. Third, personalization. This aspect relates to the source or origin of the occurrence. The pessimistic individual will feel that bad events occur because of himself (internal) and good events happen because of others or his environment (external). But, the optimistic individual knows that bad things happen not because of him, but because of the others or the environment that caused them, and the good events come from themselves.

Career Strength

Super and Kidd (in Rahim et al., 2021, p. 466) reveal that career maturity is the maturity of individual behavior in the face of career development tasks that contain cognitive and emotional dimensions. According to Super (in Sersiana et al., 2013), career maturity can be used as a measure of an individual's level of understanding of a wide range of formational searches and as an indicator of the level of students' understanding of some aspects of the profession. Career advancement is one of the most important developmental tasks for adolescents and can affect a person in the future. (Fitriyah et al., 2023, h. 156).

According to Super (in Lailatunnikma & Nastiti, 2021), the aspects of career maturity include five; career planning (in Nugrahaini & Sawitri, 2015), career exploration (in exploration), decision making (in decision making), world of work (in knowledge of the work world), and realization (in realization of career decisions). Career planning can be conceived as a process of identifying and taking steps to an individual's career goals. These career goals include such as realistic perceptions of self and environment, self-reliance and maturity in

decision making, the ability to group jobs in demand, as well as the impetus to advance in the desired field of education and jobs (Thasfa et al., 2023, h. 585); Career exploration refers to the aspirations of individuals in searching for future career relevant information in Decision 151, 2021, h. This decision-making involves identifying, comparing, and choosing alternatives based on a person's beliefs, values, and preferences (Gati & Kulcsar, 2021, p. 3); World of Work Information covers knowledge of individual skills and qualifications as well as knowledge of various aspects of the world of work, such as job duties in a position and behaviour in the job; Realization refers to the ability of an individual to compare multiple job career options realistically.

According to Rachmawati (in Sersiana et al., 2013, p. 175), the career maturity of an individual is influenced by two factors, namely internal factors (which originate from within the individual) and external factors (where originates from outside the individual). While Seligman (in Lailatunnikma & Nastiti, 2021, p. 7) mentions that there are other factors that can influence career maturing. These factors include family factors, internal factors of the individual (selfesteem, abilities, interests, personality, and prestige), and socio-economic factors. (environment, socio-economic status, and gender).

In the study carried out by Fitriyah et al. (2023, h. 156), the results of interviews with some students found several problems of career maturity experienced by them, among others: 1) have not had accurate knowledge and understanding of the self potential that can support a future career; 2) the program of study entered is not his own choice; 3) have not yet had a solid understanding about continuing studies after graduation; 4) have not understood the type of job that suits his abilities; 5) still confused choosing the continuation of studies and the kind of job which suits interests or ability; and 6) feel pessimistic after graduating will continue studies according to what is expected. Asy'ari & Zuhdi (2023) in his research produced data that students are rated to be sufficiently good in doing career planning, but have not reached the stage of career decision. This is due to a number of factors, such as parents who do not support their career choices, lack of confidence in the ability they have, have career interests that do not match their university major, competition in achieving a career a lot, and the presence of a changing desire in determining career goals.

RESEARCH METHODOLOGY

Based on the study's title, "The Impact of Optimistic Attitudes on the Career Risks of Islamic Broadcasting Communications Students", the study uses a quantitative approach. Research using a quantitative approach, direction and focus of research is to build the theory of data or facts that researchers find. Quantitative research also requires numerous uses of numbers, from data collection, interpretation of data to presentation of results. (Hardani et al., 2020). This research was carried out on December 8, 2023 at the Alif Campus of the Tazkia Institute, located at Il. Ir. H. Juanda, No. 78, Sentul, Kab. Bogor, West Java, Telephone: +62 821-848-006-00.

The subjects of the study consisted of 21th-century Islamic Broadcasting Communications students of a total of 17 people. This research instrument consists of instruments to reveal optimistic attitudes and instruments for revealing student career maturity. The instrument of research is the measure of the effort to measure all the phenomena that are the focus of research. Data collection techniques using questionnaire research instruments (angket). A questionnaire is a data collection technique that is carried out by giving a set of questions or written statements to respondents for answers. (Sugiyono, 2013). The questionnaire provided was a research questionnaire by Retno Handayani Rahayuningtyas who then modified the researchers without changing the essence of the statements. The Likert scale is used in the questionnaire with four choices of answers, namely Very Suitable, Appropriate, Unsatisfactory, and Extremely Inappropriate. Each item in the questionnaire is both favourable and unfavourable.

RESULT AND DISCUSSION

1. Research Variable

From simple linear regression analysis with SPSS 22 obtained the variable description output used in this study, namely as follows:

Table 1. SPSS Data Processing Result

Variables Entered/Removed ^a			
Model	Variables Entered	Variables Removed	Method
1	Sikap Optimis ^b		Enter

a. Dependent Variable: Kematangan Karir

b. All requested variables entered.

The above table shows the research variables that will be used in this study, namely the free variable (Optimistic attitude) and the bound variable. (Kematangan Karir).

2. The influence of the X variable on the Y variable

As for decision-making in simple linear regression tests, it can refer to two things: Comparing the value of significance with the probability of 0.05.

- If the significance value < 0.05 means that the variable X has an influence on the Y variable.
- If the significant value is > 0.05 meaning that the X variable has no influence over the Y Variable.

Based on the data that the author did using SPSS 22, the data was found as follows:

Table 2. SPSS Data Processing Result

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	2483,614	1	2483,614	19,203	,000 ^b
	Residual	2069,330	16	129,333		
	Total	4552,944	17			

a. Dependent Variable: Kematangan Karir

b. Predictors: (Constant), Sikap Optimis

As for the table above, it shows that the F value counts = 19.203 with a significance rate of $0,000 < 0,05$ which means there is an influence between the optimistic attitude variable (X) on career maturity (Y).

3. The magnitude of the influence of the X variable on the Y variable Table 3. SPSS Data Processing Result

Model Summary

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	,739 ^a	,545	,517	11,372

a. Predictors: (Constant), Sikap Optimis

The table above explains the magnitude of the correlation/relation value (R) of 0.739 and explains the size of the percentage of influence of the free variable on the bound variable called the determination coefficient which is the result of the R quartering. From the output obtained a determination factor (R²) of 0.545, which contains the understanding that the influence (Optimistic attitude) of free variables on the binding variable (Learning outcome) is 54.5%, while the rest is influenced by the other variables.

CONCLUSION

Based on data obtained from questionnaires and simple linear regression analysis using SPSS 22, it was found that the attitude of optimism had a significant influence on the career maturity of KPI students. The degree of significance gained was $0,000 < 0,05$, indicating that there was a significant impact between the variable of attitude optimism to career maturity. The correlation value (R) of 0.739 indicated a strong relationship between the two variables, with a determination coefficient (R²) of 0.545. This means that the optimism attitude affected career maturing by 54.5%, while the rest was influenced by other variables. Overall, the results of this study show that the attitude of optimism plays an important role in improving student career

maturity. Thus, the development of an optimistic attitude can be one of the effective strategies to help KPI students plan and prepare for their future careers.

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Challenges in Self-Declared Halal Certification: Perspectives from Halal Facilitators

Anjeli Wijaya and Anita Priantina

Main Objective: This research investigates the challenges that halal supervisors encounter when facilitating self-declared halal certification for Micro and Small Enterprises (MSEs) products in Indonesia. **Method:** The study employs qualitative analysis and documentation to explore the difficulties faced by MSEs in obtaining halal certification. **Content analysis** is implemented to analyze the interview result with the halal facilitators. **Key Findings:** The Halal Supervision Program faced challenges including a lack of understanding about the importance of halal certification among business owners, technological and marketing limitations, and logistical issues related to remote supervision. Additionally, operational practices needed improvement, such as ensuring the use of halal-certified products and proper business setups. Effective communication was also hindered by distance and scheduling conflicts, necessitating more flexible and consistent communication strategies. **Theoretical and Practical Implications:** The Halal Supervision Program exemplifies a robust framework for supporting SMEs in achieving halal certification, highlighting the critical role of effective communication, cooperation, and education. Comprehensive training programs focused on digital literacy and marketing strategies, essential for enhancing SMEs' market competitiveness are highly needed. Establishing a resource hub and a mentorship network can provide ongoing support and practical insights, making the certification process more accessible and less intimidating for new business owners. **Novelty:** This research provides a detailed examination of the independent halal declaration process for MSEs, identifying specific challenges and proposing targeted governmental and institutional support to improve the certification process and increase the prevalence of certified halal products in Indonesia.

Keywords: Self-declare, halal certification, challenges, Halal facilitator, MSEs

INTRODUCTION

MSEs or micro and small enterprises play an important role in boosting the country's economy. This is evident from the data on business entities in Indonesia, where 99.9% of all businesses are small and medium enterprises, i.e. 64.2 million businesses in the micro enterprise sector (Jayani, 2021). Apart from that, the MSME sector also contributes. According to Mardhotilah et al. (2022), the largest share of Indonesia's GDP is 61.07% or around IDR 8,573.89 trillion. Of the 65 million MSMEs in Indonesia, only 1% or about 650,000 MSMEs have halal certification, according to a 2021 report by the Ministry of Finance. In order to be marketed and traded in Indonesia, products must be halal-certified. This is stipulated in Law No. 33 of 2014 on Halal Product Guarantees (JPH), Article 4. Based on the Halal Fatwa issued by the Indonesian Ulema Council, a halal certificate is a confirmation of a product's halal certification issued by the Halal Product Guarantee Organizing Agency (BPJPH). The halal certificate must meet several requirements to prove that the production process, materials and halal guarantee system (SJH) comply with LPPOM MUI standards (Warto & Samsuri, 2020).

Halal is more than just an excellent standard. Therefore, it is not surprising that non-Muslims around the world know that halal goods are of high quality. Unlike other quality systems, halal standards do not consider thresholds when determining halal status (Charity, 2017). Haram elements in any quantity are prohibited in the halal concept. There is only one choice: halal or haram. Be clear about what is halal and what is haram; in other words, innal halaala bayyininun wa innal haraama bayyininun. Economic operators who obtain halal certification will receive a halal certificate from the BPJPH, which proves the halal suitability of their products and is based on the formal halal fatwa of the MUI. In this case, economic operators are obliged to provide the best service to their customers, which includes halal certificates (Astuti & Ruqiah, 2020). Business operators can use halal certificates as a tool to provide the best service to customers by producing and offering Thayyib and halal products that are of high quality, safe, nutritious and suitable for consumption.

In Indonesia, the halal certification process was first introduced in 1992. The Institute for the Evaluation of Food, Drugs and Cosmetics (LPPOM) created the first certification system that was officially recognized by the Indonesian Ulema Council (MUI). Halal certification is required for a range of products, including raw materials, additives, packaging materials and services such as shipping, cleaning and insurance. Furthermore, this accreditation remains valid regardless of whether the animal product has been shot or mechanically killed.

Previously, non-halal goods had to be labeled in accordance with the Regulation of the Minister of Health of the Republic of Indonesia No. 280/Men.Kes/Per/XI/76, which regulates the regulations for the distribution and labeling of food products containing ingredients derived from pork. After Tri Susanto published its investigation in 1988, which found that a number of foods and beverages available in Indonesia contained pork fat, the need for halal labeling increased. This appeared in Kanopi, a bulletin published by Brawijaya College at the Faculty of Animal Husbandry in East Java. The paper was widely publicized, raised concern and developed into a national controversy. As a result, consumers became wary of buying goods

they believed contained lard and sales of some large companies fell by up to 80% (Priantina et al., 2023a).

The Halal Product Guarantee Act, passed in 2014, requires halal certification. Therefore, any product that enters, is circulated or traded in Indonesian territory must be clearly labeled as halal. Of course, this only applies to products that are free of prohibited substances. This is the main difference from previous bills that were enacted before. With the establishment of the Halal Product Guarantee Administration Body (BPJPH) under the Ministry of Religious Affairs, this law gives the government, in this case the Ministry of Religious Affairs, authority over halal food products. If necessary, the BPJPH can appoint representatives in different regions.

Regulation of the Minister of Religion (PMA) No. September 14, 2021. 20 of 2021 on Halal Certification for MSEs stipulates that all business actors must produce their products in accordance with Islamic law and document their halal certificates. This policy will certainly face challenges in its implementation, especially for MSEs in remote or outlying areas. The government has set requirements for certain product categories to obtain halal certification. These stages include food and beverages, livestock and poultry slaughterhouses, and the period from October 17, 2019 to October 17, 2024. In 2024, mandatory halal certification will actually exist and become an issue. All economic actors, whether micro, small, medium or large enterprises, are obliged to do so. Towards the conclusion of the pandemic, discussions surrounding halal certification tend to become more prevalent (Priantina et al., 2023b).

Although MSMEs have shown relatively little interest in halal certification in recent years and interest in halal is increasing year on year among both Muslims and non-Muslims, does this policy encourage MSMEs to do the same? Besides, halal is nothing new to us; in fact, Surah Al-Baqarah verse 172 states, "And eat halal and good food from what Allah has given you, and fear Allah in whom you believe." This is one of the commandments of Allah SWT that has been given to us for a long time. The status of halal certification, which used to be optional but is now mandatory, seems to require additional, more complex and technical standards. The aim of this research is to discuss the difficulties faced by halal supervisors when making a self-declaration and applying for halal certification for MSE goods.

LITERATURE REVIEW

Self-Declare Halal Certification

In Indonesia, self-declared halal certification allows Micro, Small, and Medium Enterprises (MSMEs) to declare the halal status of their products to obtain certification, as mandated by the government (Oemar et al., 2023). This initiative enables MSMEs to participate in the halal certification process by self-declaring the halal status of their products, which is regulated by the government (Oemar et al., 2023). The self-declaration process facilitates MSMEs in obtaining halal certification, ensuring that their products comply with halal requirements without undergoing a formal certification process (Oemar et al., 2023).

The concept of halal certification in Indonesia is reinforced by the Halal Product Assurance Act (Halal Act) of 2014, which mandates mandatory halal certification and labeling for products entering Indonesia (Limenta et al., 2017). This act plays a crucial role in ensuring that all products in Indonesia are halal certified, thereby meeting the requirements set by the government (Limenta et al., 2017). Additionally, the Act emphasizes the importance of halal certification for various sectors, including food and beverages, to cater to the needs of Muslim consumers and enhance Indonesia's competitive advantage in the international market (Limenta et al., 2017; Ismail & Kornitasari, 2022).

Historically, the Majelis Ulama Indonesia (MUI) initially played a significant role in halal certification in Indonesia, as a civil society movement supported by the state (Faridah, 2019; Aminuddin, 2016). Over time, there has been a transition towards a state-centric halal certification system, with the LPPOM MUI becoming the first official halal certification and inspection agency in Indonesia (Akim et al., 2019). This shift highlights the evolution of the halal certification landscape in Indonesia, moving from a society-centric approach to a more state-regulated system (Akim et al., 2019).

In conclusion, self-declared halal certification in Indonesia allows MSMEs to declare the halal status of their products to obtain certification, as mandated by the government (Oemar et al., 2023). The Halal Product Assurance Act of 2014 reinforces the importance of halal certification for products entering Indonesia, ensuring compliance with halal standards (Limenta et al., 2017). The involvement of organizations like MUI and LPPOM MUI reflects the historical development and transition towards a state-centric halal certification system in Indonesia (Faridah, 2019; Akim et al., 2019; Aminuddin, 2016).

Previous Studies

Halal certification is essential for ensuring products adhere to Islamic dietary laws, instilling trust and legal certainty in Muslim consumers (Azizah, 2022). While knowledge may not significantly impact SMEs' willingness to engage in self-declared halal certification, awareness positively influences their participation in the certification process (Utami et al., 2022). The government's facilitation of self-declaration for halal certification aims to assist Micro, Small, and Medium Enterprises (MSMEs) in acquiring halal certification (Oemar et al., 2023).

Research indicates that many businesses rely on self-certification for halal products, often satisfied with internal confirmation of compliance (Fuseini et al., 2020). Initiatives like SEHATI provide free halal certification through self-declaration for MSEs, encouraging halal compliance among small businesses (Umami et al., 2023). Studies show that factors such as Muslim identity, socialization, and awareness have varying effects on the implementation of halal certificates in millennial Muslim companies (Sari et al., 2020).

The impact of halal certification on logistics and financial performance has been a topic of interest, with findings demonstrating a positive influence on financial outcomes (Urumsah & Puspitasari, 2021). Halal certification has been associated with enhanced business

performance, innovation, and market outcomes, highlighting its economic advantages (Salindal, 2018; Muneeza & Mustapha, 2020). Furthermore, halal certification is known to affect consumer behavior, trust, and purchase intentions, particularly in industries like fashion and cosmetics (Afendi, 2020; Mahliza, 2022).

Understanding the correlation between the halal certification process, cost perceptions, and SMEs' intentions is crucial for promoting halal certification uptake among businesses (Santoso et al., 2021). Providing technical guidance for SMEs navigating the halal certification process has been identified as effective in ensuring certification compliance (Siska et al., 2020). Comparative studies on halal certification in Indonesia and Malaysia underscore the role of the state in safeguarding consumer interests and meeting halal requirements (Tohe et al., 2021).

In conclusion, research on halal certification underscores its importance in upholding Islamic dietary laws, influencing consumer behavior, enhancing business performance, and driving market outcomes. Understanding the factors influencing businesses' engagement with halal certification is vital for fostering compliance and consumer trust in halal products.

RESEARCH METHODOLOGY

Qualitative Research Approach

Qualitative research allows for an in-depth examination of individuals' experiences, perceptions, and behaviors and provides detailed insights that quantitative methods may lack (Pope et al., 2002). Merriam and Tisdell (2015) emphasize the importance of qualitative methods in research, particularly for understanding and describing experiences. They argue for a basic qualitative design that allows researchers to explore participants' experiences without necessarily focusing on the essence of a phenomenon. Ensuring alignment between the researcher's belief system, the research question and the chosen qualitative approach is critical to maintaining the rigor and validity of the research findings (Tehrani et al., 2015).

Furthermore, qualitative methods are essential to provide detailed contextual information and enhance the understanding of complex processes and phenomena (Wilkinson et al., 2013; Tarin, 2017). By using qualitative data analysis techniques, researchers can transform data into meaningful explanations and interpretations, shedding light on the complexity of human behavior and decision-making (Tarin, 2017). The use of qualitative research methods also facilitates the effective involvement of participants and provides a methodological framework that encourages engagement and active participation in the research process (Tulle & Palmer, 2020).

Data Analysis

Thematic analysis was employed to examine the data, with the goal of identifying, analyzing, and interpreting meanings (themes) within qualitative data (Clarke & Braun, 2015). The process began by reading through transcribed audio recordings to understand the data and pinpoint emerging codes and themes. Each identified theme represented key information relevant to the research question, forming a pattern of responses or meanings drawn from the

interview. Chua (2020) recommended coding the data and then organizing it into themes based on the similarity of meanings. The themes and categories derived from the transcribed data were structured according to the two main objectives mentioned earlier. Several overarching themes were identified, with detailed explanations of themes and categories presented in the following section.

RESULT AND DISCUSSION

MSEs submit applications to the regional Halal Assessment and Supervision Agency to obtain halal certification. A list of goods ready for certification is made by MSEs stating that the goods meet all applicable halal standards. MSEs carry out independent certification that their products are halal in accordance with recognized protocols. This self-statement made by MSEs was confirmed by the Halal Review and Supervision Institute. MSEs will receive halal certification for their products if the independent certification is proven to be valid (Khanifa et al., 2022). The questions given to halal facilitators for the interviews covered several key areas. They inquired about the business type, asking facilitators to describe the type of business or industry the owner operates in, which included culinary ventures, snack production, or beverage companies. The initial response was also examined, focusing on the business owner's initial reaction or attitude towards the assistance, ranging from enthusiasm and acceptance to reluctance or uncertainty.

Another crucial aspect was the duration of assistance, which referred to the total length of time the assistance process lasted, varying from a few days to several weeks. Additionally, the SJPH duration was specifically addressed, pinpointing the time required for the preparation of the Sistem Jaminan Produk Halal (SJPH). This process typically averaged around 7 days but could range from 5 to 21 days depending on the complexity of the business operations and other factors.

The facilitators were also asked about the challenges encountered during the assistance process. These challenges included limited understanding of halal certification, communication barriers, or logistical issues. Finally, the facilitators provided insights into feedback/criticism, detailing any feedback or criticism provided by either party involved in the assistance, which highlighted areas for improvement or noted the successes achieved during the process.

The business owners in the summarized data operate in various industries and offer a diverse range of products. These include culinary products such as rice crackers, pempek (Indonesian fishcake), basreng (fried meatballs), snacks like sweet corn, sago crackers, donut, rempeyek (a type of snack), and bansweet (culinary). Additionally, there are businesses offering beverages such as herbal drinks, bubble tea, iced tea, and other unspecified drinks. Some businesses specialize in dry cakes, cuttlefish sauce, crispy mushroom chips, and bubble tea. This diversity underscores the broad scope of businesses seeking halal certification and assistance, reflecting the importance of halal compliance across various product categories.

The initial responses of the business owners towards the assistance provided by halal supervisors varied significantly. Approximately 40% of the business owners exhibited

immediate acceptance and enthusiasm, expressing gratitude for the opportunity without hesitation. Another 25% initially displayed uncertainty or reluctance, indicating a lack of understanding regarding the significance of halal certification. However, after receiving clarification and explanation, they became interested and willing to engage in the assistance process. The remaining 35% of business owners may have shown different initial responses not explicitly specified in the summary. This diversity in initial reactions underscores the varying attitudes and perceptions towards halal certification among business owners, highlighting the importance of effective communication and education in fostering engagement and compliance.

The time needed by halal facilitators for assisting business owners in collecting data for the System Jaminan Produk Halal (SJPH) varied across cases and types of businesses. On average, data collection for the SJPH took approximately 7 days, accounting for about 33% of the total assistance process. However, this duration ranged from 3 days to 14 days, reflecting the diverse nature of businesses involved, such as culinary ventures, snack production, and beverage companies.

Following data collection, the time required to prepare the SJPH also exhibited variability. With an average duration of about 7 days, constituting roughly 33% of the overall assistance duration, this process could range from 5 days to 21 days. Factors influencing this timeframe included the complexity of business operations, the comprehensiveness of data collected, and the level of cooperation between the facilitator and the business owner.

These findings highlight the nuanced nature of the assistance process across different types of businesses, emphasizing the importance of tailored approaches and effective communication strategies to ensure timely and accurate preparation of the SJPH for halal certification.

The result is summarised in the following table:

N o.	Halal Facilitator	Business Type	Initial Response	Duration of Assistance	Duration of SJPH Preparation	Challenges	Feedback from Halal Facilitator	Feedback from Business Owner	Anticipated Outcomes
1	HF01	Vegetable and Sweet Potato Chips	Very enthusiastic; believed it would boost consumer confidence	3 days	2 days	Limited media use and marketing; use of non-halal labeled products; inadequate workspace	Improvement needed in labeling and workspace	Optimistic about increased market acceptance	Enhanced quality and credibility; potential for business expansion in the future
2	HF02	Rice Cracker	Very happy; appreciated free assistance	5 days	5 days	Lack of understanding of halal certification's importance	-	-	Increased awareness and understanding of halal certification

									n; higher consumer trust; market expansion
3	HF03	Pempek (Fish Cake)	Very enthusiastic; appreciated free assistance	3 days	3 days	Lack of understanding of halal certification's importance	-	-	Enhanced understanding of halal certification; higher consumer trust; potential for business expansion
4	HF04	Spicy Fried Crackers	Very enthusiastic; believed it would boost consumer confidence	5 days	6 days	Limited media use and marketing; use of non-halal labeled products; operating from family home	Improvement needed in labeling and workspace	Optimistic about increased market acceptance	Enhanced quality and credibility; potential for business expansion in the future
5	HF05	Sweet Corn	Very positive; appreciated free assistance	7 days	7 days	Lack of understanding of halal certification's importance	-	-	Increased awareness and understanding of halal certification; higher consumer trust; market expansion
6	HF06	Sago Crackers	Very supportive; "Yes, sure, sure"	2 weeks	2 weeks	Online assistance caused response delays	-	-	Higher business level with halal certification; increased consumer trust; market expansion
7	HF07	Donut	Very positive; appreciated free assistance	7 days	7 days	Lack of understanding of halal certification's importance	-	-	Inspired business development; higher consumer trust

8	HF08	Rempeyek (Crackers)	Very positive; appreciated free assistance	7 days	7 days	Lack of understanding of halal certification's importance	-	-	Enhanced business advancement and trust; potential for further business development
9	HF09	Banswet	Very positive; appreciated free assistance	7 days	7 days	Lack of understanding of halal certification's importance	-	-	Increased understanding and trust; market expansion
10	HF10	Pecal Sauce	Very positive; appreciated free assistance	7 days	7 days	Lack of understanding of halal certification's importance	-	-	Increased understanding and trust; market expansion
11	HF11	Dry Cake	Initially rejected; later accepted	5 days	7 days	Lack of understanding of halal certification's importance	Needs regular process improvement steps	-	Enhanced process efficiency; potential for improved operations
12	HF12	Herbal Jamu	Very good; very enthusiastic	1 month (7 revisions)	1 month	Communication challenges due to time constraints	-	-	Enhanced quality and trust; potential for further development
13	HF13	Blondo Kelapa (Coconut Spread)	Immediately accepted; already had some halal products	1 week	1 week	Lack of innovation in product use	Needs more innovation	-	Potential for product innovation and market expansion
14	HF14	Squid Sambal	Initially hesitant; later interested	1 week	1 week	Lack of understanding of halal certification's importance	Improvement needed in cooking and packing distance	-	Enhanced product handling and consumer trust; potential for further development

15	HF15	Mushroom Chips	Initially hesitant; later very willing	7 days	7 days	Distance challenges; lack of understanding of halal certification	Needs consistent use of halal certified ingredients	-	Enhanced product consistency and consumer trust; potential for further development
16	HF16	Beverage	Fully supported	3 days (online)	3 days	None identified	Needs consistency in raw material use	-	Enhanced product consistency and consumer trust
17	HF17	Iced Tea Beverage	Very good and enthusiastic; for new product certification	2 weeks	2 weeks	Some ingredients not halal certified	-	-	Enhanced product certification and consumer trust; potential for further development
18	HF18	Beverage	Very happy	2 weeks (3 revisions)	2 weeks	Communication challenges due to lack of free time	-	-	Enhanced product quality and consumer trust; potential for further development
19	HF19	Cookies	Very positive	5 days	7 days	Communication challenges due to distance and time differences; delays in record-keeping	Needs regular process improvement steps	-	Enhanced process efficiency and consumer trust; potential for improved operations
20	HF20	Snacks	Very positive	4 days	7 days	Lack of understanding of halal certification process stages	Needs better awareness and updates on halal product developments	-	Enhanced understanding and trust; potential for further development

Several business owners had limited understanding of the importance of halal certification initially but appreciated the free assistance provided by the program. Participants like HF02 and HF03 expressed happiness and gratitude for the support. Although these businesses encountered challenges related to understanding the certification process, the assistance helped them recognize the significance of halal certification, thereby increasing their consumer trust and opening opportunities for market expansion.

The program also faced logistical challenges, particularly with online assistance causing delays in responses. Business owners such as sago crackers (as facilitated by HF06) and mushroom chips (as facilitated by HF15) experienced difficulties due to time constraints and distance. Despite these issues, the support provided was beneficial in improving their product quality and consistency, leading to higher consumer trust and potential business development.

Feedback from the halal supervisors highlighted the need for continuous improvement in various areas. For example, HF11 noted the importance of regular process improvement steps for the cookies business, while HF12 emphasized the need for better communication due to time constraints in assisting herbal jamu business. These insights underscore the necessity of consistent innovation and process refinement to ensure sustained quality and compliance with halal standards.

Overall, the Halal Supervision Program demonstrated significant positive impacts on the participating businesses. The support and guidance provided helped increase awareness and understanding of halal certification, leading to improved product quality, enhanced consumer trust, and potential market expansion. The program's success indicates the importance of such initiatives in supporting small businesses to achieve certification and meet consumer demands in a competitive market.

Effective Communication and Cooperation

In several cases, the effectiveness of communication and cooperation between the halal supervisor and the business owner was pivotal. In Case 2, HF02 reported that clear communication and understanding facilitated a smooth five-day process. Similarly, in Case 3, HF03 emphasized the importance of effective communication, resulting in successful certification within three days. These cases underline the significance of strong communication and cooperation in ensuring a smooth certification process.

Overcoming Technological and Marketing Challenges

Certain cases highlighted the challenges related to technology use and marketing. In Case 1, technological limitations and marketing difficulties were significant hurdles. Despite these challenges, the process was completed successfully in five days. Case 4 also illustrated similar challenges, where technological gaps and limited marketing were addressed over an eleven-day period. These cases emphasize the program's role in helping businesses overcome technological and marketing obstacles.

Initial Reluctance and Knowledge Gaps

In several instances, business owners faced initial reluctance or knowledge gaps about halal certification. In Case 11, the business owner initially resisted due to a lack of understanding but eventually embraced the certification after thorough explanation and guidance. Similarly, in Case 12, HF12 assisted traditional medicine business, overcoming communication challenges and lack of understanding through persistent effort over a month. These cases highlight the program's effectiveness in educating and encouraging reluctant business owners to pursue halal certification.

Remote and Online Supervision

A few cases demonstrated the feasibility and effectiveness of remote or online supervision. In Case 6, HF02 supported sago cracker business online, overcoming the challenges of remote communication to complete the process in two weeks. This case shows that, even with remote supervision, effective communication and dedication can lead to successful certification.

Improving Operational Practices and Compliance

Some cases involved significant improvements in operational practices and compliance. In Case 12, Herbal business involved addressing operational and communication challenges over a month, leading to seven revisions before final approval. These cases illustrate how the program not only ensures compliance but also enhances the operational practices of businesses, resulting in better quality and credibility.

Overall, these cases from the Halal Supervision Program highlight the importance of effective communication and cooperation, the ability to overcome technological and marketing challenges, addressing initial reluctance and knowledge gaps, the feasibility of remote supervision, and the enhancement of operational practices and compliance. The program's tailored support helps small businesses navigate the complexities of halal certification, ultimately improving their market credibility and operational standards.

Effective Communication and Responsiveness

Several cases demonstrated the importance of effective communication and responsiveness in the Halal Supervision Program. In Case 5, HF05 support for the snacks business involved clear instructions and timely responses, resulting in smooth and successful certification. Similarly, in Case 7, HF07 assisted business, where business owner readiness and positive response facilitated a seamless week-long process. Case 9 also highlighted this theme, with HF09 guiding Bansweet business through clear communication and prompt action. In all these cases, effective communication and the business owners' responsiveness were key to successful certification. This point affirms finding of Zaahiroh & Priantina (2024)

Overcoming Initial Reluctance and Knowledge Gaps

Several cases involved business owners who were initially reluctant or had limited understanding of halal certification, and this confirms conclusion of Aprilia and Priantina (2022). In Case 8, HF08 assisted cracker's business, where business owner's initial lack of knowledge was overcome through clear guidance, leading to successful certification. Similarly, Case 10 saw HF10 helping spices business, overcoming initial knowledge barriers with patient guidance and resulting in enhanced product credibility. Case 14 featured HF14 assisting squid sambal business, where initial hesitation was transformed into enthusiasm after understanding the certification's benefits. These cases highlight the program's role in educating and empowering business owners to understand and embrace halal certification.

Addressing Logistical and Operational Challenges

Some cases demonstrated the program's ability to address logistical and operational challenges. Case 15, where HF15 assisted mushroom chips business, overcame distance-related challenges through effective communication, resulting in successful certification. In Case 18, HF18 supported beverage business, overcoming communication challenges and time constraints through persistence and multiple revisions. Similarly, in Case 19, HF19 helped cookies business navigate communication challenges due to distance, leading to improved operational practices. These cases underscore the program's capacity to adapt and provide effective support despite logistical hurdles. Digitalization is needed (as is also highlighted by Priantina & Pramitha, 2023).

Enhancing Operational Practices and Product Quality

Several cases highlighted improvements in operational practices and product quality. In Case 16, HF16's online assistance to BoBa business emphasized the importance of consistent ingredient quality and process adherence, enhancing product reliability. Case 20 saw HF20 assisting food business, where clear explanations and awareness of halal certification improved product trust and market reach. These cases illustrate how the program not only provides certification but also enhances overall business practices and product quality.

Prior Experience and Continuous Improvement

A few cases involved businesses with prior experience in halal certification, focusing on continuous improvement. Case 17 featured HF17 supporting iced tea business, addressing issues with incorporating halal-certified ingredients and ensuring successful certification for new products. In Case 13, HF13 assisted Blondo Kelapa business, leveraging business' existing familiarity with halal products to facilitate a smooth process. These cases highlight the importance of ongoing support and adaptation to certification requirements, promoting continuous improvement in business operations.

Overall, the Halal Supervision Program has demonstrated its effectiveness in enhancing communication, overcoming initial reluctance and knowledge gaps, addressing logistical

challenges, improving operational practices, and promoting continuous improvement, thereby significantly benefiting small businesses.

To overcome the obstacles faced by Micro and Small Enterprises (MSEs) in obtaining halal certification, a comprehensive strategy is needed. One way is through infrastructure and financial support provided by the government. Assistance programs such as grants, technical assistance, and training can help MSEs expand their infrastructure and improve their financial capabilities.

Apart from that, increasing access to information is also key. Education and outreach initiatives regarding halal principles and certification processes can be organized by the government in collaboration with non-governmental and religious organizations. Through seminars, direct teaching, or other information media, MSEs can better understand the requirements and procedures for halal certification.

To help MSEs meet the costs of halal certification, the government can consider fiscal policies or incentives such as tax cuts or subsidies. In addition, it is also important to simplify the certification process by collaborating between the government and certification organizations. The application of digital technology and more effective and transparent certification methods can reduce administrative complexity and associated overhead costs. Lastly, MSEs need to understand policy modifications related to halal certification. By receiving sufficient and clear information from the government and relevant agencies, MSEs can modify their procedures to meet the new standards with the help of training and consultation (as is also concluded by Priantina and Sopian, 2023). With a holistic approach like this, it is hoped that MSEs can overcome the obstacles they face in obtaining halal certification (Yuanitasari et al., 2023) .

CONCLUSION AND RECOMMENDATION

The Halal Supervision Program has proven to be a vital support system for small and medium enterprises (SMEs) seeking halal certification. Through effective communication, strong cooperation, and persistent education efforts, halal supervisors have successfully guided business owners through the certification process. Some cases underscore the importance of clear communication and understanding between supervisors and business owners. Additionally, the program's ability to address and overcome challenges related to technology use, marketing, and initial reluctance further demonstrates its effectiveness in facilitating halal certification for diverse businesses.

Moreover, the program has shown adaptability in remote supervision, as seen in some cases. The ability to provide effective guidance and achieve successful certification through online means highlights the program's flexibility and reach. Furthermore, the focus on improving operational practices and compliance, as observed in some cases, emphasizes the program's role in enhancing the overall quality and credibility of the businesses it supports. This comprehensive approach not only ensures compliance with halal standards but also

promotes better business practices, thereby increasing consumer trust and expanding market opportunities for MSEs.

To further enhance the effectiveness of the Halal Supervision Program, it is recommended to develop more structured training sessions focused on digital literacy and marketing strategies. Given the challenges faced by some business owners, targeted training can help bridge the technological gap and improve their marketing capabilities. Such initiatives will empower SMEs to leverage digital tools more effectively, thereby increasing their reach and competitiveness in the market. Additionally, creating a resource hub with guides, tutorials, and best practices for halal certification can provide ongoing support and reference material for business owners.

Another recommendation is to establish a mentorship network that pairs experienced business owners who have successfully navigated the halal certification process with those who are new to it. This peer-to-peer support system can provide practical insights and moral support, making the certification journey less daunting for newcomers. Furthermore, regular feedback mechanisms should be implemented to continuously gather input from both supervisors and business owners. This feedback can help identify areas for improvement and ensure that the program remains responsive to the evolving needs of SMEs, thereby sustaining its impact and effectiveness in promoting halal certification.

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Multi-Platform and Partnership in Republika Media: Strategies to Survive Mass Media for Islamic Mass Media

Maya May Syarah, Subroto

This study explores the strategies used by Republika Media, a leading Islamic mass media, to develop in an increasingly competitive and growing media landscape in the digital era. To increase audience reach and engagement, this research highlights the importance of a multi-platform strategy that combines print, internet, and social media. Based on media convergence theory and using a qualitative approach with a constructivist method, this research aims to determine the strategic use of the advantages of each platform. Republika Media expands its reach by making its content available to a broader demographic. The report also emphasizes the value of strategic alliances with other technology and media companies. This partnership provides Republika readers with higher quality and interactive material while prioritizing journalism with good ethics. A thorough analysis of this article shows that these tactics are critical to being relevant and competitive in a time of rapid technological advancement and changing consumer behavior. The ideas offered show how creativity and collaboration can lead to success in the changing mass media landscape, benefiting Islamic media organizations hoping to maintain their operations and increase their influence in the digital era.

Keywords: Multi Platform, Partnership, Strategies to Survive for Mass Media, Islamic Mass Media, Digital Media

INTRODUCTION

Mass media is a channel used to convey messages from source to audience using communication tools like letter news, radio, television, film news sites, etc. Mass media in the digital era defined practice collection of news, reporting, production of texts, and accompanying communications that reflect, respond to, and shape logic socio-cultural and economic from every digital media environment changes. Mass media is a relatively social institution. The new goal is mainly to produce and distribute knowledge in a broad sense. Characteristic features most important from relative mass media institutions are 1) them is organizations and institutions like most modern institutions; 2) they do tasks particularly in creating analogy information community and developing a specific picture of the world, besides showing function institution social other; and 3) them works as leader opinion public. Because potency its mobility play role unique in the modern political process. (Navalna, 2022).

Islamic mass media plays a role in spreading supporting information , perspectives, and principles of Islam. Republika Newspaper has become one of Indonesia's most influential national Islamic media. However, entering digitalization, Republika Media closes print media at the end of December 2022. Republika Media requires a practical approach to remain relevant and competitive in the middle-tight competition. No adaptation to progress fast technology is the main problem. Changes in the forms of media are also among the media factors in the digital age. According to Jenkins, media convergence is a process where various media forms and content move traverse multiple media platforms, creating an interconnection between technology, industry, content, and audience. Convergence is not only about technology or device hard, but also involving change in method We consume and interact with the media. (Jenkins, 2006) . Change has hit the media environment, and conventional media must adapt to change to stay relevant. (Okon, Obukoadata, & Ekwok, 2022).

Current Islamic Media This often only displays religious and political values and does not give room for other topics relevant to the general public. Besides that, in the current internet era, many online media tend to ignore standard journalism and use clickbait tactics to interest the attention of readers. Many online mass media platforms do not have enough features To fulfill users' needs, like Limited interaction and support from fewer social media platforms.

Generally, Islamic media to depend on information from editorials only, without entering source additions and perspectives that can enrich content. Consequently , it is important for Islamic media such as Republica To develop multi-platform strategies and more collaborative creative To give content that is diverse , quality , and available to reach more audiences . Study This aim For find out the strategy carried out by Republika Media in order to be able to survive in the digital era.

LITERATURE REVIEW

Digital media revolution occurred all over the world and need it change big in culture organization cross limit politics , race , gender, and sectarianism in a number of ways big Islamic mass media organization . Based on need and urgency , review literature This Then

aim For understand multi-platform strategies and existing partnership models studied with Good in media studies , what the strategy is practiced by Islamic media in Indonesia , namely Republika Media.

Multi-Platform Strategies in Mass Media

A multi-platform strategy involves distribution content in various media channels , such as print , digital, social media , and broadcasting . Approach This very important For reach diverse audience , increase engagement , and results Lots source income (Küng, 2017) . Moving media content traverse multiple platforms, possible audience access information through various different channels . For example , a story can started in form book , then adapted into a film, followed with video games , and expanded via social media . (Jenkins, 2006).

Islamic media, such as Republika , increasingly Lots adopt a multi-platform strategy to stay relevant and competitive . Transition This very important For reach audience digitally savvy young people and more choose online content compared to print media traditional (Eickelman & Anderson, 2003) . The effectiveness of these strategies visible in the media landscape more broad, where a successful multi-platform approach has produce growth significant audience and increase involvement. (Sehl, Cornia, & Nielsen, 2016)

Partnership Models in Mass Media

Partnership in mass media can covers agreement share content , collaboration advertising, and business joint venture . Partnership This help media organizations expand range them , share source power , and increase quality content (Albarran, 2016) . Doyle (2002) say partnership in mass media show How collaboration strategic and sharing source Power can give benefit significant for media industry , fine in matter economy , quality content , and reach audience.

For Islamic media company , partnership can facilitate access to more network broad , increasing credibility , and encouragement innovation . Collaboration with office news international , local media , institutions education , and companies technology very beneficial (Picard, 2011) . Temporary according to Donders (2019) collaboration in fixed digital media determined by content . Announcer public in a way strategic try For expand presence they in the digital domain for still relevant and fulfilling objective service public they . Although There is progress in distribution online content , exclusive digital content Still limited .

Challenges and Considerations

Islamic mass media must navigate sensitivity culture and religion with Be careful For guard credibility and trustworthiness . Ensure that content in line with Islamic values and interesting audience wide is A balance that requires careful editorial oversight (Eickelman & Anderson, 2003) .

Adopt technology new need Lots source Power . Islamic media organizations need invest in training , infrastructure , and innovation sustainable For apply effective multi-platform strategy (Küng, 2017) .

Guard trust audience very important for success of Islamic mass media . Transparent communication , journalism ethical , and relevant content in a way culture is factor key in maintain loyalty audience (Schiffrin, 2017) .

RESEARCH METHODOLOGY

Study This use approach qualitative with method constructivitis . Study qualitative very pay attention to processes, events , and authenticity with involve relative subject small . Objective study This is For construct reality and understanding meaning . (Hadi, 2020)

In study this , observation , interview in-depth , and documentation used For collecting data. Study This form observation Republika Media in carry out strategies and construct policy For maintain existence of the media .

Observation qualitative happen when researcher write notes field about behavior and activities of people in place study . Researcher write notes field in a way No structured or semi-structured with use a number of question previously according to Creswell and Creswell (2014) activity observation This carried out on location research and the public .

Method additional data collection use interview deep For gather information about the strategy implemented Republika Media. Semi- structured interviews with use guidelines customized interviews with objective research and questions . However , question can made in accordance with channel interview during the implementation process . Research data This originate from various findings from interview . Document findings entered to in the data.

Subject in study This is Republika Media. Instruments performed is interview deep with press workers at PT Republika Independent good in the field business nor editorial .

Data is filtered as well as categorized as in accordance question research and considered in accordance with objective study so the data becomes focus in answer problem , presented in form narrative .

RESULTS AND DISCUSSION

Research result shows the strategy implemented Republica in maintain the existence of Islamic media with do multi-platform development and partnerships.

Multi-Platform Strategies

As explained by the Director PT operations Republika Media Mandiri , Nur Hasan Murtiaji that For follow close market development with technology Republica move to digital media whole .

"Development This become style life public us , especially generation young . Habits and habits generation young in consume content information has switch to digital platforms. Condition this is the basis Republica For transform to full digital, with presenting content on web- based platforms and social media . Adapt with condition society , especially generation young , Republican focus themselves on digital platforms as access tools news ." (Interview result with Hasan)

A screenshot of the REPUBLIK website. The header features the REPUBLIK logo in black with a red triangle. Below the logo, there are navigation links: 'Berlangganan' (highlighted in a red pill shape), 'Berita', and 'Pusat'. On the right side of the header, there is a search icon and a menu icon. The main content area shows a large, dark, and somewhat blurry image of two people in the foreground, looking down. In the background, there are structures that appear to be tents or temporary shelters, suggesting a refugee camp or a conflict zone. Overlaid on the bottom left of the image is the text 'Kabar Utama' in white, followed by the article title 'Kisah Para Saksi Kekejaman Israel di Tas As-Sultan' in a large, bold, white font.

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" Social media give flexibility in content format , incl text , images , videos and broadcasts direct . This enable mass media For diversification method they convey informative and interesting more audience wide . Interesting multimedia content can increase involvement audience and create information more easy accessible and digestible . " (Interview with Hasan)

Developed social media are Instagram, TikTok and Twitter. In the media social response target audience generation young This nice , looks from number of account followers TikTok Republika Online reached 4.4 million followers. His height followers can also be seen on the Republika.co.id twitter account , namely as much as 2 million follower . Temporary for media social Instagram account called @republikaonline has 332,000 followers. Tik Tok, Twitter and Instagram account platforms are available seen in figures 3 , 4 and 5.



Figure 3. Republika Online's Tik Tok social media account



Figure 4. Social media accounts Instagram Republika Online



Figure 5. Official Twitter account Republika Online

For broadcast platforms Republika presenting the audience with Republika TV can accessed via the Republika Online website . Information and news delivered on this digital platform in the form of audio video so audience will more easy understand and digest it . The Republika TV platform can seen in figure 6.

“ The Republika TV platform can accessed with enter to page Republika Online (Republika.co.id). There served news and information with complete video form Adaptable sound and musical illustrations content . Expected This will makes it easier for users to search information with other forms or audio visual.” (Interview with Hasan)



Figure 6. Platform Republika TV

Partnership Model

In face complexity of mass media contemporary , partnership has become A must strategic for continuity life . Republica has utilise collaboration with various entity , incl other media organizations , companies technology , and institutions education , for strengthen position in the industry This .

“ Partnership has possible Republica access technology state-of-the-art , mechanism delivery Innovative and diverse content perspective , so enrich the offer to audience . Besides that , alliance with institutions education has facilitate coaching talent young and exploratory current trend growing , so positioning Republica as insightful media entity to forward and dynamic . ” (Interview with Hasan)

Besides share content and collaboration with office news international and local media For provide diverse news and perspectives , Republika also collaborates with partner business and organizations For advertising . This matter help produce revenue and promote relevant products and services .

“ Trend acquisition advertisement Of course affected very moment pandemic , which is the opposite with when before pandemic . However post pandemic and Republika Work Full digital, yes trend increase income advertisement . Of course adaptation and agility understand product content become matter important in connection acquisition advertisement including with partner business . By Overall , period three year pandemic be a tough time but thank God Republika succeed through it with Good . And now , Republika looking at the era when switch to fully digital .” (Interview with Hasan)

Republica developing partnerships in the form of content created by readers . This partnership model There is two ie Retizens who are blog writer at Republika and Network. For Retizen The response from readers (netizens) was very welcoming OK , as stated by the Editor Republica Dewo . Form Retizen Can seen from picture &.

“ There is retizen make form or receptacle for reader For give content you want they convey . His greeting outside ordinary and very enthusiastic . Moment This There is around 150 thousand bloggers who joined . ” (Interview result with Dewo)



Figure 7. Retizen.id Digital Platform

No lost with Retizen form Network partners are also welcomed well by the audience Republica . According to Dewo exists palform Network makes enthusiastic partners Because besides team from supplying users content For Republica , they also get it distribution results adsense and advertising .

Republika Network is a media network developed by Republica . Moment This Already There is around 40 domains have joined with Republica . The domain is managed by a team , with a minimum of members from three people. Every domain must produce a minimum of three content per day .

" Domain owner collaboration with Republica is in form IT domain and content management . Domain owners do activation charging content , while related with IT management is carried out by Republica . Some of the content contained in the domain will displayed on www.republika.id . Election incoming content Republica carried out by the team moderation Republica . Domains are allowed take content from Republica maximum five contents per day . Conditions content the must done replacement title , photo , and lead. Domain owners are also allowed take Photo production Republica For illustration content on the domain . Cooperation between domain owners and Republica also includes distribution advertisement Adsense and direct advertising . Domain owners can too look for the ad Alone ." (Interview result with Dewo)

Form the Republica platform Networ can seen in figure 8.



Figure 8. Republika Network Platform

Good Ideological And Journalistic Considerations

One of challenge main problem faced by the Republic is guard sensitivity culture and religion while still interesting for more audience wide . Implemented solution is with ensure that all content filtered through a rigorous editorial process For ensure suitability with Islamic values . As a reputable media Good The Republic also remains guard still will guard quality so that still trusted by readers as source credible information .

“Republican still adhere to ideology initially as mass media for Muslim community , fine in print format or digital. No There is change ideology although happen transition to digital platforms. Besides that's the most important thing Republica still will guard the quality so that still trusted by readers as source information . We remain hold firm principles journalism and code ethics journalism . Republika also has it code ethics internal journalists who rule even more strict compared to code ethics journalism .” (Interview result with Dewo)

Although now entered the journalistic era algorithm Republica No apply click bait journalism . For Republica based on interview with party editor , the practice of click bait is the same as do lies to the reader .

“We remain refers to principles base journalism , code ethics journalism , code behavior journalist Republica . For writing referring to the book Writing Styles Republic .” (Interview result with Dewo)

Adoption technology new often need significant investment in training and infrastructure . Republica overcome This with allocate source Power For training employees and partners with company technology For get access to technology latest and support technical.

Workers at Republika were also prosecuted For Can control technology related with moving to digital platforms. Start Still rise HR newspaper in Republika Already prepared to be literate technology . Editorial team has adapt self with the digital era, working on website and social media platforms . Adaptation done with habituation and training For face development technology and change habit consumption information by the public .

"In the newspaper era print Still Up , team editorial some are fully online platforms, there are also some who work on two platforms: print and online. Shifting for working digital content only need habituation for team previous editorial working in the realm print . So we have prepare human resources who are familiar and reliable in use digital technology . So that when happen displacement to partial digital platforms Most of the human resources are familiar." (Interview result with Hasan).

Principles , values ideology , journalism ethical as well as mastery good technology bring Republica become one of the existing mass media in 20 (two tens) rank large national online mass media . This matter Can seen in figure 9.

" Although happen a complete shift to digital platforms, as a reputable medium OK , Republic still trusted by its readers as source information or material reference . Request comparative study , practice field nor visit from various companies and organizations or institution to office Republica proves we still are taken into account in the mass media arena national . " (Interview result with Dewo)



Figure 9. Two tens large mass media National : Source Imogen Public Relations

The multi-platform strategy implemented by Republika Media has been succeed increase range audience . With present on various platforms such as e-paper, digital, social media , and broadcast , Republika capable reach various segment different audiences . For

example, readers traditional still loyal to the e-paper edition , while generation young more active access content via website and mobile application.

Republica develop two large platforms ie www.republika.co.id For content general can accessible to readers or users for free. Furthermore is the www.republika.id platform which contain Republika 's only premium content Can accessed with subscription / paid.

Study show that Republika Media 's adoption of a multi-platform strategy has bring impact significant positive. With combining print, digital, social media and broadcast media , Republika capable increase presence and involvement audience in a way whole . Social media use in a way effective No only increase involvement but also provide channel For bait come back audience in real-time, which is important For adjustment and development more content Good . Via social media , Republika can interact direct with audience , increase involvement and participation . Comments , likes, and shares on platforms such as Facebook, Twitter, and Instagram show level high engagement, which helps Republica For still relevant and responsive to needs and preferences audience.

Republica develop distinctive journalism nationalist , Islamic, populist , and Indonesian. Republica No apply journalism *click bait* Because for this media practice *click bait* The same with do lies to the reader . So that still refers to principles base journalism , code ethics journalism , code behavior journalist Republica.

Republica do repair from amount uploaded content , improvements quality content , multiply required content readers and distribution content with maximizing social media such as IG, Twitter, Tiktok . For distribution content .

Republika is also developing partnerships in the form of *user generated content* or content created by readers . This partnership model There is two ie Retizens who are blog writer at Republika . Furthermore is Network ie team from supplying users content For Republica with a division model results adsense and advertising .

CONCLUSION

Use multi-platform and deep partnerships production and procurement content at Republika Media is a strategy at Republika Media as form media convergence shows How digitalization of mass media change conventional media concepts , functions and values for public national .

According to leader editorial Republika Media, challenge main mass media industry moment This is adapt media with need new users or reader . Change draft conventional seen with closure of print media or newspaper Republica aim as step strengthening entry Republika Media to the digital world so relevant with situation moment this and add range the reader .

Republika Media remains hold on stick to journalism ethical so that the content presented still refers to the code ethics journalism so that No follow the trend apply click bait journalism . Draft development mark done with distinctive journalism nationalist , Islamic, populist , and Indonesian . This matter aim for content journalism presented Can accepted public wide .

Research result confirm trend the main digital era of journalism No just make content For be delivered only through online mass media but also distributed through multi channels and social media . Studies this also shows that mass media with its reader base Muslim can adapt media content with various users' needs . So that users remain use media for fulfillment need various information so the media remains can endure become the medium of choice the user.

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Analysis of Avoiding Riba through Knowledge of Literacy to Sharia Money

Rahmayati, Ulfa Mardiah Gea, Afif Badawi

The motivation of Muslim customers to become Islamic banking customers is to avoid usury because they already realize that usury is one of the actions that they must avoid to get blessings from their assets. Islamic banking is one of the factors that attracts them to believe in the genuine commitment of Islamic banks. To run a banking business that is anti-usury and based on Islamic law. The purpose of this study was to determine the effect of motivation to avoid usury and knowledge of financial literacy on the decision to become a customer of Islamic banking. This type of research uses an associative and quantitative approach. Data collection techniques using interviews and questionnaires. Data analysis techniques using validity and reliability tests. Classic assumption test, multiple linear analysis, t-test, F test, and determination. The results of the study show that the motivation to avoid usury has a positive and significant effect on the decision to become a customer of Islamic banking. Knowledge of financial literacy has a positive and significant effect on the decision to become a customer of Islamic banking. The decision to become a customer of Islamic banking is simultaneously influenced by the motivation to avoid usury and knowledge of financial literacy.

Keywords: Motivation to Avoid Riba, Sharia Financial Literacy Knowledge and Decision Become Sharia Banking Customer

INTRODUCTION

The growth of the Islamic financial sector in Indonesia coincides with the development of Islamic banking, having started with the need for an alternative Islamic banking system among Indonesia's Muslim majority. The practice of profit sharing is the substitute for usury or interest that Islam offers. Since Islamic banking has become available, consumers have several factors to take into account when deciding whether to open an account with an Islamic bank. (Amalia, 2011). The development of Islamic banking in Indonesia is accompanied by the development of the Islamic financial industry, which began with the inspiration of the Muslim-majority Indonesian people to have an alternative Islamic banking system. The alternative offered by Islam as a substitute for usury or interest is the practice of profit sharing. With the existence of Islamic banking, currently, customers have several considerations and reasons for making decisions to become customers of Islamic banks (Amalia, 2011) However, this is not enough to make Islamic banks the largest bank in Indonesia because of the lack of public interest and of course among the younger generation. Islamic banks seem difficult to make up for the dominance of conventional banking, even though the majority of Indonesian people are Muslims (Kasmir, 2013: 167).

The belief that conventional interest is forbidden and that it is unethical from an economic perspective for one party to bear all the risk is the primary driver behind the establishment of Islamic banking in Indonesia. This conclusion is supported by a fatwa that the Indonesian Ulema Council (MUI) released, which declares that bank interest is prohibited by Islamic law and is equivalent to usury. The Al-Qur'an contains numerous references to the prohibition of usury as the word of Allah SWT. Surah Al-Baqarah verse 275 states: "And Allah has justified buying and selling and forbidden usury." Al-Baqarah (QS. 275). The primary distinction between traditional. Maintaining customer loyalty requires more than just the basic distinctions in interest and profit sharing between Islamic and traditional banking. Customers may continue to stay loyal to financial organizations for a variety of reasons. According to Zamzam and Aravik (2020), service excellence is one of them. To keep and draw in new clients, this service is crucial (Widyastuti, 2019: 242).

Motivation and knowledge of financial literacy are the variables that impact the decision to become a customer (Shofwa, 2017). Because motivation gives people the push to fulfill their needs and aspirations, it has a significant impact on how people behave. A person's motive to abstain from usury will influence their decision-making and behavior as a consumer. A factor that exists in a person who moves, and drives behavior to reach particular goals is the motivation to avoid usury, which is why customers prefer to use Islamic banking services.

Banks need to look into and track factors that affect customers' decisions to utilize Islamic banking services in addition to providing incentives to become more customers. Knowledge and comprehension of Islamic banking will influence the choices made by pupils. Low awareness of Islamic banks implies low attitudes toward and desires to patronize Islamic banks (Irsyad, 2016). As a result, initiatives to raise public awareness of Islamic banks are crucial to the future growth of these financial institutions. The possibility of embracing Islamic

banks increases with increased information on Islamic banking (Sunardi and Maftukhah, 2015: 37).

Studies by Winarti (2021) and Fauzi and Murniawaty (2020) indicate that interest in opening an account with an Islamic bank is influenced in part. The findings demonstrated that interest in saving is positively and significantly impacted by customer knowledge. pertinent to Ruwaidah's studies (2020) The findings demonstrated a considerable impact of (partially) Islamic financial literacy.

Given the context, the purpose of this study was to examine strategies for avoiding usury through financial literacy. This is an additional mention of the elements that impact the desire to stay away from usury and the understanding of Islamic finance while deciding whether to open an account with an Islamic bank.

LITERATURE REVIEW

Motivation

Experts or other viewpoints referenced by Engel in the American Encyclopedia state that a person's motivation is a tendency (a trait that faces opposition) that leads to support (Nugroho: 2003). Motivation is used in marketing to forecast consumer behavior about what they will do concerning particular products (Eddy: 2008). Customers behave because they are motivated to do so; their actions are an attempt to ease the stress brought on by unmet requirements. Consequently, marketers must be able to develop products that satisfy the expectations of customers. In contrast, motivation, as defined by Rangkuti (2009) in his book, is the force that propels people to act.

Interest

According to Arista and Rahayu (2011), consumer interest or interest in choosing determines the likelihood that a consumer will purchase a product or switch from one product to another. According to Rambat Lupiyoadi, and Hamdani (2009), the following aspects affect interest: 1) The marketing mix, which has a significant impact on how businesses sell their goods and services; 2) Needs, which are the same as desires.

Riba

Usury is a term that can indicate "extra" (ziyadah) or "growing and enlarging" (Zainuddin). Usury, or riba, is defined as one party's excess profit (property) in a sale and purchase transaction or exchange of similar goods without providing a reward for the excess (riba fadl), or as the amount of debt that the debtor must repay to extend the grace period past (riba nasi'ah) (Tho'in: 2016). According to (Chair: 2014), it is well known that usury is forbidden in Islam and is considered a serious sin. Nonetheless, Allah SWT used four steps to unveil the treatise on the proscription of usury activities (Zulkifli: 2007).

Sharia Financial Literacy

According to Rohrke & Robinson, financial literacy is the best solution to inform consumers about the benefits of having a relationship with financial institutions, including funding and credit, and the ability to build positive finances. So that financial literacy refers to

the knowledge and skills needed to handle financial challenges and decisions in everyday life (Dikria and Minarti, 2016). The financial services authority (OJK) states that the important mission of the financial literacy program is to conduct financial education to the public so that they can manage their finances intelligently, so that low knowledge of the financial industry can be overcome and people are not easily fooled by investment products and offer high returns in the short term without considering the risks. Lusardi and Mitchell (2014) in their research state that financial literacy consists of several knowledge and abilities regarding finance that a person has to manage or use a certain amount of money.

RESEARCH METHODOLOGY

The method in this research is quantitative research. This research was conducted at the Faculty of Islamic Religion UMSU. The sampling technique is random sampling, which means that sampling from the population is done randomly and all research populations have the same opportunity to be sampled without being based on certain criteria (Soewadji, 2012: 140). This research variable uses two independent variables, namely Motivation to Avoid Usury and Financial Literacy Knowledge. The Dependent Variable is the Customer's Decision to use Islamic banking.

RESULT AND DISCUSSION

Table 1. Characteristics of Respondents

No.	Gender	Number of Respondents	Percentage
1.	Law - Law	31	40%
2.	Woman	47	60%
Total		78	100%
No.	Status	Number of Respondents	Percentage
1.	17-20 years	46	59%
2.	21-24years	22	29%
3.	> 24 years old	10	12%
Total		78	100%
No.	Status	Number of Respondents	Percentage
1.	< 1 year	15	19%
2.	1-3 years	59	76%
3.	> 3 years	4	5%
Total		78	100%

The number of respondents in Table 1. shows that the respondents in this study were dominated by female students, totaling 47 people or equivalent to 60% of the total respondents. The majority of respondents in this study were dominated by students aged 17 to 20 years,

totaling 46 people or equivalent to 59% of the total respondents. while respondents in this study were dominated by students who had been customers for 1 to 3 years of the total respondents.

Normality Test

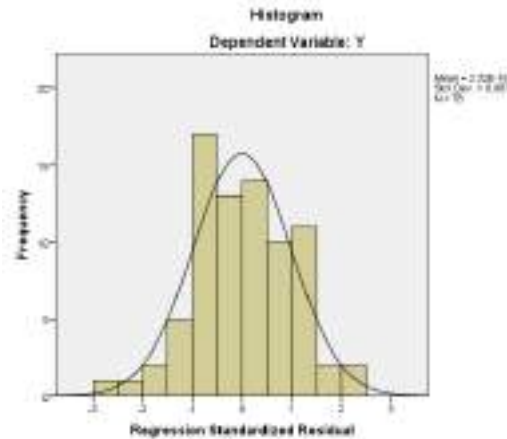


Figure 1. Histogram

The picture above shows a graph that shows that the data is normally distributed. It can be seen from the histogram graph that shows symmetrical data that does not deviate to the right, or left, and forms an inverted bell.

Heteroscedasticity

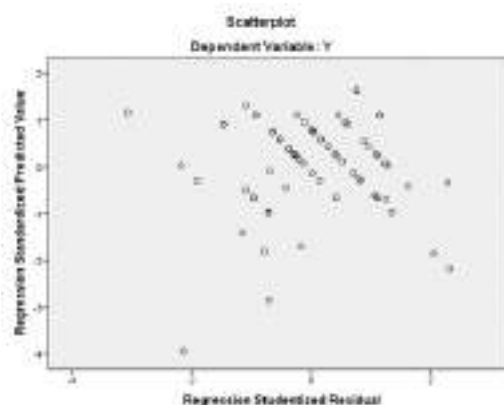


Figure 2. Heteroscedasticity

From the scatterplot graph after data transformation in Figure 4.2 above, it can be seen that the points have spread above and below the number 0 on the Y axis, which means that the regression model no longer experiences heteroscedasticity problems.

Multikolinearity

Table 2. Multikolinearity

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1 (Constant)	9.574	1.929		4.964	.000		
X1	.175	.085	.233	2.066	.042	.668	1.496
X2	.399	.103	.437	3.881	.000	.668	1.496

a. Dependent Variable: Y

In Table 2. above, it can be seen that all variables have a VIF of less than 10 and a tolerance value greater than 0.1. Thus it can be stated that the regression equation model in this study does not experience multicollinearity problems.

Multiple Linear Regression Analysis

Table 3. Multiple Linear Regression

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1 (Constant)	9.574	1.929		4.964	.000		
X1	.175	.085	.233	2.066	.042	.668	1.496
X2	.399	.103	.437	3.881	.000	.668	1.496

a. Dependent Variable: Y

From the table above, the following equation is obtained:

$$Y = 9,574 + 0,175X_1 + 0,399X_2 + e$$

From this equation, it can be explained that:

The variable motivation to avoid usury and financial literacy knowledge has a positive coefficient direction on the decision to become an Islamic banking customer.

- The coefficient of motivation to avoid usury gives a value of 0.175, which means that the more motivation to avoid usury increases, the decision to become an Islamic banking customer will increase.
- The coefficient of financial literacy knowledge provides a value of 0.399, which means that the more financial literacy knowledge increases, the decision to become an Islamic banking customer will increase.

t- test

Table 4. t-test

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.	Collinearity Statistics	
	B	Std. Error	Beta			Tolerance	VIF
1 (Constant)	3.664	8.372		.438	.664		
X1	.619	.161	.548	3.855	.000	.680	1.470
X2	.049	.178	.039	3.275	.004	.680	1.470

a. Dependent Variable: Y

From the table above it can be concluded as follows:

1. The significance value of motivation to avoid usury (X1) of $0.000 < 0.05$ and the value of t count $3.855 > t$ table 1.66543 shows that motivation to avoid usury (X1) has a significant effect on the decision to become an Islamic banking customer. So, the hypothesis of the influence of motivation to avoid usury on the decision to become a customer of Islamic banking (H1) is accepted.
2. The significance value of financial literacy knowledge (X2) of $0.004 < 0.05$ and the t value of $3.257 > t$ table 1.66543 indicates that financial literacy knowledge (X2) has a significant effect on the decision to become an Islamic banking customer. So, the hypothesis of the effect of financial literacy knowledge on the decision to become an Islamic banking customer (H2) is accepted.

F-test

Table 5. F-test

ANOVA^a

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	93.175	2	46.587	21.365	.000 ^b
	Residual	163.543	75	2.181		
	Total	256.718	77			

a. Dependent Variable: Y

b. Predictors: (Constant), X2, X1

Based on the statistical test results shown in the table above, the calculated F value is $21.365 > F$ table 3.12 with a significance value of 0.000 whose value is smaller than 0.05. This shows that the regression model of Motivation to Avoid Usury and Financial Literacy Knowledge in this study is feasible to use to predict the Decision to Become an Islamic Banking Customer. So it can be concluded that the decision to become a customer of Islamic banking is

simultaneously (together) influenced by Avoiding Usury and Financial Literacy Knowledge, thus H3 is accepted.

Coefficient of Determination

Table 6. Coefficient of Determination

Model Summary^b

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate
1	.602 ^a	.563	.546	1.47668

a. Predictors: (Constant), X2, X1

b. Dependent Variable: Y

In the table above, the coefficient of determination $R^2 = 0.546$ is obtained, meaning that the Motivation to Avoid Usury and Financial Literacy Knowledge variables influence the relationship between the Decision to Become a Sharia Banking Customer. The value of $R^2 = 0.546$ means that the Decision to Become an Islamic Banking Customer can be explained by the Motivation to Avoid Usury and Financial Literacy Knowledge variables by 54.6%, while the remaining 45.4% can be explained by other variables outside the scope of research.

CONCLUSION

The following conclusions can be drawn from the research on the decision to open an Islamic banking account:

1. Customers' decisions to open an Islamic banking account are positively and significantly influenced by their desire to avoid usury, with a significance value of $0.000 < 0.05$ and a t value of $3.855 > t$ table 1.66543. The decision to switch to Islamic banking will increase as the incentive to avoid usury increases, according to the coefficient of motivation to avoid usury, which has a value of 0.175.
2. With a t value of $3.257 > t$ table 1.66543 and a significance value of $0.004 < 0.05$, financial literacy expertise has a positive and substantial impact on customers' decisions to switch to Islamic banking. The decision to open an Islamic banking account will rise in proportion to the increase in financial literacy knowledge, as indicated by the coefficient of financial literacy knowledge's value of 0.399.
3. With a significance value of $0.000 < 0.05$ and an F count of $21,365 > F$ table 3.12, the motivation to avoid usury and financial literacy knowledge variables have a positive and significant impact on customer decisions to convert to Islamic banking. The decision to become an Islamic banking customer is explained by these variables by 54.6%.

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Strengthening Islamic Finance's Impact on the SDGs: Strategies to Increase Contribution

Surya Anugrah, Windy Permata Suyono, Rochma Sudiati

Abstract. Islamic finance plays an important role in contributing to the Sustainable Development Goals (SDGs) in various countries. The method used in this research is a descriptive qualitative method using literature studies from various journals related to Islamic sustainable finance issues. The relatively lower contribution of Islamic finance in Indonesia compared to countries like Qatar, Australia, and the UK can be attributed to factors such as regulatory frameworks, financial infrastructure, market maturity, product diversity, and human capital in the country. To scale up Islamic finance in Indonesia and contribute to the SDGs, the following strategies can be implemented on Regulatory Framework, Financial Literacy and Awareness, Product Diversification, Collaboration and Partnerships, Innovation and Technology, Sustainability Reporting, Data Collection and Analysis.

Keywords: Islamic finance, Sustainable Development Goals

INTRODUCTION

In 2015, the United Nations officially adopted the 2030 Agenda for Sustainable Development, a global framework that includes 17 SDGs. These goals, often referred to as the SDGs, cover various aspects of human and environmental development, from poverty eradication to environmental protection. The agenda marks a global commitment to address the challenges faced by the world community, and directs collective efforts towards a more sustainable and inclusive future.

Despite global efforts to achieve the SDGs, complex and interconnected challenges persist, including economic inequality, unequal access to basic services, environmental degradation and climate change. In this context, it is important to strengthen financial tools capable of supporting inclusive and sustainable economic transformation.

Amidst these challenges, Islamic finance is emerging as a promising alternative in supporting efforts to achieve the SDGs. Islamic finance, which is based on Islamic sharia principles, emphasizes fairness, transparency and social responsibility. The principles of Islamic finance led to the development of sharia-compliant financial instruments, such as mudharabah (profit-sharing), musharakah (partnership), and murabahah (buying and selling with a set profit).

Although Islamic finance has grown rapidly in recent decades, there is still a need to deepen the understanding of its contribution to SDG achievement. Systematic and in-depth research on how Islamic finance principles can be applied to strengthen efforts to achieve the SDGs is essential. In addition, the development of policy frameworks that support the integration of Islamic finance in sustainable development strategies is also crucial.

By understanding more about the potential and challenges of Islamic finance in the context of sustainable development, we can identify new opportunities to strengthen an inclusive and sustainable financial system. Therefore, this study aims to contribute to the literature on Islamic finance and sustainable development by analyzing its role and impact in achieving SDGs, as well as identifying relevant policy implications.

LITERATURE REVIEW

Basic Concepts of Islamic Finance

Islamic finance is based on the principles of sharia, which is Islamic law that includes moral, ethical, and legal rules derived from the Quran and Hadith. Islamic financial mechanisms run by financial institutions cannot be separated from sharia concepts that regulate product mechanisms and operations (Darwis, 2013). The basic concepts of Islamic finance include:

Prohibition of Usury (Interest): Usury, or interest, is considered an unethical practice in Islamic finance. Usury, which is known as an addition that is not accompanied by an exchange of compensation, is prohibited by the Qur'an (Ghofur, 2016). The Qur'an itself has explained in detail the stages of the prohibition of usury. The first stage simply illustrates the negative element in usury (QS. al-Rum [30]:39).

Therefore, any form of interest or fixed profit generated from money lending is prohibited. Instead, Islamic finance advocates profit sharing (mudharabah) or predetermined profit sharing (musharakah) in financial transactions.

Fairness and Transparency: The principles of fairness and transparency are the cornerstones of Islamic finance. Transparency in financial transactions, fair dealings between the parties involved, and avoidance of practices that harm other parties are values that are required by Islamic law. The transparency in financial transactions, fair dealings between the parties involved, and the avoidance of practices that harm others are values emphasized in the Islamic financial system.

Prohibition of Speculation and Uncertainty: Speculation practices that are not based on real assets and contain high uncertainty are also avoided in Islamic finance. In speculation, the perpetrator relies on the fate of luck (game of chance) with great risk and often harms other parties (Pati, 2015). The principles of Islamic finance encourage investments that are oriented towards real assets and have the potential to provide long-term benefits to society.

Islamic Financial Instruments

To implement sharia principles, Islamic finance develops various financial instruments that are in accordance with Islamic teachings. Unlike conventional financial instruments, Islamic financial instruments are not only commercial in nature but there are also social financial instruments such as zakat, waqf and alms. (Andiansyah, et all, 2022). Some of the most common Islamic financial instruments include:

Mudharabah: A form of partnership between a party that provides capital (shahibul maal) and a party that manages capital (mudharib), where profits are shared according to a prior agreement, while losses are borne by the capital owner.

Musharakah: A form of partnership where two or more parties provide capital to invest in a specific project. Profits and losses are shared according to prior agreement.

Murabahah: A form of sale-purchase in which the seller discloses to the buyer the cost of goods as well as an agreed profit margin. The buyer pays the specified price over a period of time. The legal basis for murabaha transactions is derived from Q.S. Al-Baqarah[2]:275, which reads, *“And Allah has justified buying and selling and forbidden usury.”* Then in Q.S. An-Nisa[4]:29 which means, *“O you who have believed, do not eat of your neighbor's wealth by unlawful means, except by way of mutual trade between you. And kill not yourselves, verily Allah is most merciful to you.”*

Sukuk: A financial instrument similar to conventional bonds but in accordance with Shariah principles. Sukuk represent partial ownership of a physical asset or project, with interest payments avoided. Instead, the investor receives payments in the form of a share of the profits or proceeds from the asset it represents.

Sustainable Development Goals

The SDGs is an agenda for sustainable development that was implemented by all UN member states in 2015. The SDGs have 17 goals, 169 targets and 241 indicators. The 17 goals are interconnected and implemented equally without leaving anyone behind. This is done to address the global problems faced by almost every country including those related to poverty, inequality, climate change, environmental issues, and peace and justice.

In Indonesia, the commitment to the SDGs is enshrined in Presidential Regulation Number 59 of 2017, underscoring the government's dedication to implementing these global objectives, as endorsed by President Jokowi. The 17 SDGs encompass a wide range of aims, including eradicating poverty (SDG 1), ending hunger and promoting sustainable agriculture (SDG 2), and ensuring health and wellbeing for all (SDG 3). Additionally, the goals encompass providing quality education (SDG 4), achieving gender equality (SDG 5), and ensuring access to clean water and sanitation (SDG 6). Furthermore, they emphasize affordable and clean energy (SDG 7), decent work and economic growth (SDG 8), and building resilient infrastructure while fostering innovation (SDG 9). The SDGs also target reducing inequality (SDG 10), creating sustainable cities and communities (SDG 11), and promoting responsible consumption and production patterns (SDG 12).

Moreover, they address climate change (SDG 13), marine conservation (SDG 14), and land ecosystem preservation (SDG 15). Additionally, the goals prioritize peace, justice, and strong institutions (SDG 16), as well as global partnerships for sustainable development (SDG 17). By adhering to these objectives, Indonesia aims to foster inclusive, prosperous, and sustainable development across the nation (Ministry of National Development Planning/Bappenas, 2017). This sustainable development goal is launched until 2030, the Sustainable Development Goals agenda is a refinement of the Millennium Development Goals (MDGs) agenda which ended in 2015. The end of the MDGs agenda then led UN members to formulate a global development agenda called the Sustainable Development Goals or SDGs.

METHOD

The method used in this research is a descriptive qualitative method using literature studies from various journals and articles related to Islamic sustainable finance issues and making the researcher the main instrument (Sugiyono, 2005).

RESULTS AND DISCUSSION

Islamic finance plays an important role in contributing to the SDGs in various countries such as Qatar, Australia, the United Kingdom, Indonesia and others. Each country has its own way to improve the SDGs, which still uses Islamic principles and laws in its application. Some countries will be discussed one by one related to SDGs in this study.

Islamic finance plays a pivotal role in Qatar's efforts to contribute to the Sustainable Development Goals (SDGs). Qatar has actively fostered the growth of Islamic finance, aligning with the principles of Maqasid al-Shariah, which prioritize overall human welfare (Ahmed, 2015). Recognizing the potential of Islamic finance in advancing the SDGs, Qatar has

incorporated Environmental, Social, and Governance (ESG) principles into its financial sector's masterplan (Gumus, 2019). Moreover, the country has been diligently working on establishing a comprehensive framework for sustainable finance, with a particular emphasis on promoting Islamic finance (Othman, 2022). These initiatives underscore Qatar's commitment to sustainable development and highlight the significant role Islamic finance can play in realizing the SDGs within the country.

Islamic finance plays a crucial role in advancing the Sustainable Development Goals (SDGs) in Australia, particularly in the realms of financial inclusion and sustainable development. Globally valued at over USD 3 trillion and anticipated to surpass USD 3.5 trillion by 2024 (OECD, 2020), Islamic finance is gaining traction in Australia, with its sector contributing to overall economic growth, financial inclusion, and national savings. To foster its growth, the Australian Islamic Finance Council (AAIFC) has been established, serving as a platform for collaboration and knowledgesharing among Islamic financial institutions, investors, and stakeholders. Collaborating with the Australian Securities and Investments Commission (ASIC), the AAIFC actively promotes Islamic finance development in Australia.

Additionally, Islamic finance channels funding into sustainable infrastructure projects like renewable energy and energy efficiency, vital for a sustainable future (Ahmed, 2015). Recognizing its potential, the Australian government is working on crafting a comprehensive framework for sustainable finance, inclusive of Islamic finance promotion (Gumus, 2021). Overall, Islamic finance stands poised to significantly bolster the SDGs in Australia, notably in enhancing financial inclusion and fostering sustainable development.

Islamic finance plays a pivotal role in advancing the Sustainable Development Goals (SDGs) in the United Kingdom. The UK government has actively supported the growth of Islamic finance, exemplified by issuing two sukuk and encouraging UK corporate issuers to follow suit (Dewar, 2024). Additionally, the UK Islamic Finance Council UK (UKIFC) has played a proactive role in advocating for Islamic finance and highlighting its potential to generate financial returns while fostering SDGs impact (UKIFC, 2021). Research conducted by Professor Habib Ahmed at Durham University has further underscored the ways Islamic finance can contribute to SDGs achievement both locally and globally, influencing high-level discussions and driving changes in practice and regulation (Ahmed, 2021).

Over the past decade, the Islamic finance sector in the UK has experienced significant growth, with more than 20 financial institutions offering Islamic finance products, including five fully Shariah-compliant banks (Dewar, 2024). Moreover, the sector has witnessed the emergence of Shariah-compliant digital banks like Algbra, which prioritizes sustainability and ethical values (Dewar, 2024). Recognizing the potential of Islamic finance in advancing the SDGs, the UK's Financial Conduct Authority (FCA) has established a working group to address barriers hindering the industry's progress (Dewar, 2024). These efforts by the FCA underscore its dedication to sustainable development and highlight the pivotal role Islamic finance can play in realizing the SDGs in the UK.

In Indonesia, the Sustainable Development Goals (SDGs) are greatly aided by Islamic finance. The SDGs will cost the nation over \$4.7 trillion to accomplish, and funding is needed for several development sectors to meet targets (Rizal, 2023). Through the use of charity and Private-Public Partnerships (PPPPs), Islamic finance can aid in closing the SDG gap (IFAC, 2023). Through the implementation of thorough regulatory frameworks, the streamlining of regulations for goods and services, and increased public knowledge of Islamic banking, the Indonesian Ministry of banking has promoted the expansion of Islamic finance. The nation's attempts to include Islamic finance into the SDGs show how committed it is to sustainable development and how important a role Islamic finance might play in Indonesia reaching the SDGs.

Country	Score	Score/Muslim Population
Indonesia	81,49%	0,000034%
Qatar	33,33	0,0016%
United Kingdom	19,11	0,0027%
Australia	2,56	0,000061%

Source: IFCI (2019)

Country	Population	Muslim Population	% Muslim Population
Indonesia	278,696,200	243,023,086	87.2%
Qatar	2,685,053	2,067,491	77.0%
Australia	27,208,900	707,431	2.6%
UK	66,970,000	4,219,110	6.3%

Source: Wikipedia

Based on the information in the table above, although Indonesia has a high score according to IFCI, 2019, if we also compare it with the population in Indonesia, the majority of whose population is Muslim, the percentage is low, namely 0.000034% compared to other countries that have a lower score but a smaller population such as the United Kingdom which has a percentage of 0.0027% the largest compared to Indonesia, Qatar and Australia.

Islamic finance in Indonesia falls behind countries like Qatar, Australia, and the UK for several reasons. Despite efforts to stimulate its growth through regulatory frameworks and awareness campaigns, Indonesia still grapples with regulatory gaps that limit the sector's potential (IFAC,2023). Furthermore, the country's financial infrastructure is less developed compared to other nations, affecting the complexity and expansion of Islamic finance activities (Jivraj,2023). Indonesia's Islamic finance market is also less mature, constraining the scale of initiatives compared to more established markets (IFAC, 2023). Moreover, the limited availability of Islamic financial products and services in Indonesia undermines its ability to contribute significantly to sustainable development goals. Lastly, the scarcity of skilled professionals and expertise in Islamic finance acts as another barrier to the sector's progress, particularly when contrasted with countries boasting more abundant talent pools (Rizal, 2023).

CONCLUSION

To propel Islamic finance in Indonesia forward and bolster its impact on the SDGs, a multifaceted strategy is recommended. Initially, it entails establishing a comprehensive regulatory framework covering all facets of Islamic finance, including banking, capital markets, and insurance, to ensure compliance with global standards and stimulate growth (IFAC, 2023). Concurrently, efforts should be directed towards elevating financial literacy and awareness among the populace through educational initiatives and workshops, underscoring Islamic finance's potential in advancing sustainable development. Crucially, diversifying Islamic finance products and services to suit sectors like infrastructure and social welfare necessitates collaboration among stakeholders to pinpoint and surmount developmental hurdles (Farizi, 2023). Additionally, embracing technological advancements such as fintech and digital banking can broaden access to financial services and bolster sustainable endeavors. Moreover, the adoption of sustainability reporting by Islamic financial institutions can cultivate transparency and accountability, aligning their endeavors with the SDGs.

Integral to this strategy is the collection and analysis of data on the interplay between Islamic finance and the SDGs, facilitating comprehension of their impact and identification of areas for enhancement. Through the implementation of these measures, Islamic finance in Indonesia can assume a more prominent role in closing the funding gap and advancing sustainable development nationwide.

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Blockchain Implementation in Islamic Accounting

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This study aims to explore and examine blockchain technology from an Islamic perspective, as well as investigate its potential and utilization in accounting and auditing. Through a qualitative literature review methodology, this study analyzed relevant literature sources such as journals, reference books, and online documentation related to blockchain from an Islamic perspective. The main findings of this study show that blockchain is consistent with the Islamic accounting principles of accountability, fairness, and truthfulness by enabling transparent, secure, and immutable recording of transactions. The decentralized nature of blockchain eliminates the need for intermediaries, increases trust, and reduces costs. However, this research also identifies vulnerabilities such as 51% attacks and confidentiality issues on public blockchains that need to be addressed. Theoretically, this research contributes to the understanding of blockchain's compatibility with Shariah accounting principles, paving the way for the integration of this technology into the Shariah-compliant financial system. Practically, this research provides guidance for auditors, regulators, and technology providers to integrate blockchain into existing business procedures and change the current audit model. The novelty of this research lies in exploring the convergence of blockchain technology and Islamic accounting principles, providing valuable insights on how to harness the power of blockchain to strengthen accountability, fairness, and honesty in financial reporting while remaining compliant with Shariah guidelines. As such, this research makes a significant contribution to the existing literature and industry practice, and offers potential solutions to enhance the integrity and efficiency of the Islamic financial system.

Keywords: Blockchain, Islamic Accounting, Accountability, Islamic Finance

INTRODUCTION

In the current era, the development of information technology has experienced a rapid and sophisticated increase since the start of the Industrial Revolution 4.0, this is marked by the emergence of the latest technology that can facilitate human life, such as the ease of obtaining information, making electronic transactions and can generate startup growth such as e-commerce and financial technology. Fintech is a financial technology innovation that is present in the community using the latest model therefore people can enjoy modern, effective, and efficient financial transactions through internet technology. On the other hand, currently, Indonesian people have made the internet a good market share for fintech development (Septianda et al., 2022).

Indonesia with the largest Muslim-majority country sees the development of fintech in Indonesia cannot be separated from the point of view of Islam. In Bappebti regulation No. 5 of 2019 concerning Technical Provisions for the Implementation of the Crypto Asset Physical Market on the Futures Exchange, it results that the government legalizes cryptocurrency trading, on the other hand, several religious authority institutions such as Muhammadiyah have issued a haram fatwa on the use of crypto money as a medium of exchange or investment (Septianda et al., 2022). Whereas in general blockchain and cryptocurrency are different things even though they are still interrelated. Crypto is used as a digital currency and blockchain as a means of technology and digital data storage that has a relationship with cryptocurrency transactions.

In accounting and auditing, blockchain is closely related to the process. The function of blockchain in accounting is to protect data integrity, share necessary information instantly and can be programmed and controlled automatically. In addition, the blockchain ecosystem will play a role in accounting information systems that will have a powerful impact on transaction verification, storage, and management of a group of computers to prevent unauthorized data changes.

Another advantage of implementing blockchain in accounting is that it will secure the data that has been posted on it, so auditors can trust the integrity of the data and perform various analyses. Moreover, automated and agile assurance can be enabled through "Smart Control", which is a computer program that will operate on the blockchain to automatically control business processes against predefined rules By incorporating other technologies (e.g. IoT) (Pratiwi, 2022) the system can enable real-time tracking and monitoring of physical object activities and automate the recording and measurement of business performance mechanism will facilitate real-time reliable accounting reporting to interested parties (e.g. managers, auditors, and investors).

From this background and previous studies, this research is conducted to explore and examine blockchain from the Islamic perspective as well as the potential and utilization of this technology for accounting and auditing, so that it will provide insight to auditors, regulators, and technology vendors, to facilitate the incorporation of blockchain in existing business procedures, and promote the transformation of the current audit model to the next generation

LITERATURE REVIEW

Islamic Accounting

Accounting is a science that is now a socially constructed branch of science. This means that the construct of accounting science is strongly influenced by social development. The more advanced the social level of a society, the more advanced the accounting that develops in that society, and vice versa. Efforts to bring accounting closer to the reality of culture, religion, and spirituality are in line with critical analyses of accounting concerning spirituality and local faith (Mulawarman, 2010).

Islamic accounting, also known as Islamic accounting, is an accounting system based on Islamic principles and values. It focuses on the use of Sharia principles in financial management and accounting and ensures that all transactions and business activities are conducted in a manner that complies with Islamic law (Huda, Zairifli, Ratih, Sa'diyah, & Latifah, 2023). Besides that, accounting is a system that converts transactions into financial information. In addition, Islamic transactions are transactions carried out following Islamic law. Therefore, it can be concluded that Islamic accounting handled in Islamic transactions is carried out by sharia law, namely according to Islamic law Al-Qur'an and Sunnah (Warsono, 2011).

Islamic Accounting Principles

According to Muhammad (2005), there are three main principles in Islamic accounting which is accountability, justice, and truth. These three values have become universal basic principles in Islamic accounting operations. According to Nurhayati and Wasilah (2014), there are some principles of Islamic accounting and financial statements based on the Qur'an and As-sunnah. There are Principles of Accountability, Principle of Justice, Principle of Truth, Prohibition of Usury, Risk Apportionment, Not Considering Money as Potential Capital, Prohibition of Speculative Activities, Contract Conformance, and Business Activities Must Be Shariah-Compliant.

Blockchain

Blockchain is a decentralized database that uses independent nodes to store and retrieve data (Lafountain, 2021). Blockchain technology connects blocks of data sequentially in a distributed ledger. Each block stores various content, including a 'hash', which is the unique identifier of the block itself. The hash identifies and links this block to all blocks, both previous and subsequent (Meth, 2019).

Therefore, it can be concluded that Blockchain is a collection of blocks containing transaction data that are linked (chain) and sorted with each other. Blockchain can be thought of as a digital data storage system where each newer block or the most recently linked block, must have hash information (hash = alphanumeric code that represents words, messages, or data) from the previous block. Each block will refer to the previous block and so on, forming a chain (Utomo, 2022).

Blockchain Principles

According to Iansiti and Lakhani (2017), There are 5 basic principles that the blockchain system has. The principles of blockchain are:

1. Distributed Database

A large replicated ledger is inevitably synonymous with a database. Each participant in the blockchain has access to the entire database and no single participant acts as a data controller. Data from partners can be verified directly without the need for a third-party intermediary.

2. Peer-to-Peer Transmission

Communication that occurs between peers or members in the blockchain system is done directly without the need for a coordination center or third party.

3. Transparency with Pseudonymity

Transactions that occur between blockchain addresses are visible to anyone with system access. When changes are made, they are incorporated in another copy that is updated simultaneously. Users on the blockchain have a unique alphanumeric address identifying them. Users can remain anonymous or provide proof of their identity to others.

4. Irreversibility of Records

Once a transaction is entered into the database, the record cannot be altered. Various computerized algorithms are deployed to ensure that the records in the database are permanent and available to everyone on the network.

5. Computation Logic

The digital nature of the ledger means that blockchain transactions can be tied to computational logic and in essence programmed. Therefore, users can set up algorithms and rules that automatically trigger transactions between nodes.

How the Blockchain Works

Blockchain moves just like a banknote. Currently, when someone wants to make a transaction, there must be a third party that bridges between the first and second parties. These third parties are banks, governments, and companies engaged in finance. However, in some countries, many people do not trust the system in the bank or government because they are afraid that their money will be stolen by these third parties. With blockchain, the decentralized database built on top of blockchain eliminates the need for centralized institutions and databases. Everyone on the blockchain can see and validate transactions which creates transparency and trust. Trust lies at the core of blockchain; it provides a system of trust between people without the need for intermediaries involved in transactions. Blockchain allows people to transact between each other with something of value (Raharjo, 2022).

According to Sari (2024), the working process of blockchain, despite its complex underlying mechanism, can be generally explained in the following steps:

1. Blockchain software records transactions, which record the movement of physical or digital assets between parties in the network. Transaction details include information such as the parties involved, and the time, place, and amount of assets exchanged.
 - a. Who was involved in the transaction?
 - b. What happened during the transaction?
 - c. When did the transaction occur?
 - d. Where did the transaction take place?
 - e. Why did the transaction occur?
 - f. How many assets were exchanged?
 - g. How many preconditions were fulfilled during the transaction?
2. The next step involves the approval of most participants in the network to validate the transaction. These approval rules are set at the beginning of the network and vary depending on the type of network used.
3. Once consent is achieved, transactions are linked into blocks, which come with a cryptographic hash as a sign of security. This hash serves as a chain that links all blocks together, making it impossible to edit a block without detecting data tampering. This process makes the blocks and chains securely linked.
4. In the final step, the system distributes an updated copy of the central ledger to all participants, ensuring transparency and data security within the entire blockchain network.

Analogously, this process can be imagined as stacking wooden blocks to create a tower, where each additional block strengthens the entire structure (Sari, 2024).

Blockchain Benefits

According to Raharjo (2022), blockchain has numerous benefits. The benefits of blockchain are:

1. Transparency

Blockchain-based systems offer increased transparency compared to existing registries and ledgers. Changes to the ledger are visible to everyone on the network, and transactions cannot be changed or deleted once they have been entered into the blockchain. With existing registries, someone can go and change the database and hide the changes from others.

2. The Elimination of The Middle Man

Most current transactions between people require intermediaries such as banks to provide trust and security for transactions. The advantage of Blockchain technology over existing systems is the ability to remove the middleman allowing transactions to occur directly between people instead of involving a third party. This greatly benefits the billions of people in the world who live in countries where they cannot trust third-party intermediaries due to corrupt governments, high crime rates, poor corporate regulations, manual record keeping or limited legal options for making claims.

3. Decentralization

The decentralization of blockchain databases is a key component of how the middlemen can be removed while at the same time increasing transparency and trust. Blockchains are maintained on one shared ledger instead of multiple ledgers privately managed by different institutions. People and companies don't have to hand over control to a single institution when using blockchain. This makes collaboration between parties faster and easier to manage. To use the example of a group of banks transferring assets between each other, each bank would maintain its own ledgers and transaction records separately in the current structure and system. Using a blockchain-based ledger, they would only need to reconcile transactions to one shared ledger that all banks can access and agree on the correct record of transactions.

4. Security

Data entered into the blockchain is immutable, meaning it cannot be changed or altered. Each block of data on the blockchain can also be traced back to the first 'genesis block'. The immutability of the data entered by the combined blocks connects back to the first block on the blockchain, creating an easy-to-follow audit trail of every transaction on the blockchain.

5. Reduced costs

Blockchain technology can significantly reduce costs in many industries by eliminating the middlemen involved in the process of recording and transferring assets. Each intermediary or layer involved in the transaction adds to the cost of recording and transferring assets. In the current system, when transferring assets or recording them, there are often multiple ledgers and databases maintained by each organization. Distributed ledgers allow parties to transfer assets on one shared ledger, reducing the cost of maintaining multiple ledgers in each organization.

Maintaining a ledger or database is expensive and often a very manual process with many people involved in checking the integrity of each ledger. Blockchain-based distributed ledgers reduce costs by replacing individual ledgers with one shared ledger, providing real-time settlement and auditing of all parties connected to the network whenever a transaction occurs.

Blockchain Weaknesses

Blockchain technology, while revolutionary in its potential to secure transactions and data, has its challenges. According to (Ndiaye & Konate, 2022), one significant vulnerability lies in the smart contracts deployed on blockchain platforms. These contracts are susceptible to programming errors, bad practices, and lack of correction systems, leading to potential security breaches and financial losses. The complexity of smart contracts and the difficulty in detecting and correcting vulnerabilities in already deployed contracts pose a significant challenge to the overall security of blockchain systems.

(Al-Abbasi & El-Medany, 2019) Highlights significant weaknesses in blockchain technology, particularly focusing on the risks associated with 51% of attacks and confidentiality issues in public blockchains. A 51% attack occurs when a majority of nodes, at least 51%, collude to validate fraudulent data, compromising the blockchain's integrity. This vulnerability is present in both permissioned and permissionless networks, raising concerns

about data tampering if a majority of nodes act maliciously. The paper suggests that enhancing validation protocols according to specific business processes could mitigate this risk. Furthermore, the confidentiality of transactions in public blockchains is another major concern. While user identities remain pseudonymous, the transparency of transaction details like dates and amounts can lead to identity exposure through transaction pattern analysis. Proposed solutions include rotating public keys, using permissioned blockchains, and mixing transactions to obscure the true details from potential sniffers.

Additionally, the paper discusses the availability issues in public blockchains, where the network's decentralized nature and the anonymity of its operators can lead to nodes being excluded or compromised, affecting overall network availability. Despite the inherent strength of blockchain's distributed ledger in maintaining data integrity and availability, these weaknesses highlight the need for robust security measures. Enhancing protocols and integrating decentralized identity management systems, especially in sectors like Bahrain's smart card system or with banks and insurance companies, could significantly improve blockchain's reliability and trustworthiness. Addressing these vulnerabilities is crucial for the broader adoption and integration of blockchain technology in various applications.

RESEARCH METHODOLOGY

This research is literature and the method used in this research is the library research method. According to Mestika, library research is a series of activities related to library data collection methods, reading and recording, and processing library collection materials only without requiring field research (Mestika, 2004).

The descriptive qualitative method is used in this research by collecting information from literature sources and books as the main object. The qualitative method is research conducted through actual information collection and produces data in the form of notes and descriptions (Waruwu, 2023). The literature used to collect data is through previous research such as journals, reference books, and online documentation related to Blockchain from an Islamic perspective.

RESULT AND DISCUSSION

Blockchain and Accounting

Blockchain technology can potentially transform the role of accountants, shifting their focus towards more prominent advisory roles and the verification of ledger transactions (Garanina et al., 2022). This shift is facilitated by the introduction of triple-entry accounting, a system where each transaction results in three entries, including a cryptographic signature that verifies the transaction's validity. This new accounting method enhances the accuracy and security of financial records.

Moreover, blockchain enables real-time recording of transactions, significantly increasing transparency within accounting systems. This immediate recording reduces the chances for earnings management by making all transactions visible and immutable. The

enhanced transparency and security provided by blockchain technology compel accountants to adopt more rigorous and transparent accounting practices, thereby reinforcing the integrity of financial reporting.

The Future of Islamic Accounting

In the future, Islamic accounting is expected to play a significant role in the recording of business transactions, both in countries with Muslim populations and around the world. It is based on the key principles of Islamic accounting such as amanah (responsibility or accountability), fairness and truth. These principles ensure that financial records are more transparent and easier to trace to their source. A financial system based on Islamic accounting creates a more ethical financial system and focuses on the balance between material and spiritual matters, as Islamic accounting rejects capitalistic elements often found in conventional systems, such as riba (which is interest) and gharar (which is excessive uncertainty) (Abdillah, n.d.).

In addition, Islamic accounting is based on Quranic verses, especially Surah Al-Baqarah: 282, which emphasize the importance of recording transactions accurately and fairly. This shows that Islamic accounting pays attention to both spiritual values and worldly aspects. By following these principles, Islamic accounting is expected to enhance the integrity and trustworthiness of financial statements by preventing unethical practices such as fraud and data manipulation.

History shows that Islamic accounting systems existed long before the invention of the two-entry diary system by Lucas Pacioli in Italy. Baitul Maal, the state treasury, used the "Kitabat Al-Amwal" to record the financial transactions of Muslims. With this strong history, Islamic accounting has a solid foundation on which to build.

With more Islamic financial institutions emerging around the world, especially in countries with large Muslim populations, Islamic accounting is expected to continue to grow and may eventually replace the conventional system (Hasanah, 2009). Its features, which emphasize ethics and responsibility, can make businesses more moral and remain viable in the eyes of God and the world.

Considering the promising prospects of Islamic accounting in the future, the implementation of blockchain technology can significantly contribute to strengthening key principles such as trustworthiness (accountability), fairness, and truth. Blockchain is a technology that supports a transparent, secure, and immutable record of transactions, which is consistent with the values promoted by Islamic accounting. Blockchain creates transaction records that are transparent and verifiable by all authorized parties, ensures that all financial information can be clearly traced, and supports the principle of trustworthiness. With a decentralized record-keeping system, blockchain is very difficult to tamper with, preventing fraud and data manipulation, thus upholding the principles of justice and truth.

In addition, blockchain enables real-time recording and verification of transactions, improving operational efficiency and ensuring that all transactions are recorded in a timely

manner in accordance with Sharia principles. The technology also uses cryptography to secure data, maintaining the confidentiality and integrity of financial information. In addition, blockchain can ensure that all transactions are Sharia-compliant through the use of smart contracts that automatically reject transactions that involve *riba* or *gharar*. Thus, integrating blockchain into Islamic accounting not only increases transparency and security, but also reinforces ethical values, ensures that Islamic accounting remains relevant and adaptive to future technological developments, and meets the needs of an increasingly complex business world.

Implementing Blockchain in Islamic Accounting

Modern science has a fundamental weakness, namely cleaning itself from ethical aspects, normative aspects, and spiritual aspects. As a result, science (including accounting in it) becomes sterile (Abdilah, 2023) The application of blockchain technology can be an interesting breakthrough in strengthening important aspects of Islamic accounting. In applying blockchain in Islamic accounting, of course, this must be in accordance with the principles of sharia or Islamic law in carrying out its operational activities. These principles prohibit usury (interest), speculation, and investment in business sectors prohibited by Islam. Sharia implementation of blockchain focuses on the principles of fairness, sustainability, and adherence to Islamic values in all aspects of its operations. (Tanjung & Nurlaila, 2023)

The application of blockchain technology is one solution to increase transparency, reliability, and accountability in Islamic financial reporting. The blockchain process starts when a transaction is taking place. (Zulhelmi et al , 2023) When someone makes a transaction, the transaction information will be disseminated to a peer-to-peer (P2P) network consisting of various nodes (individual computers). In a decentralized blockchain system, there is no reliance on a central authority to validate the authenticity of data. Instead, the validation process occurs between nodes to verify the validity of the information. Once a transaction is verified by the nodes and found to be valid, it is merged with other transactions to form a new data block in the main ledger (Tanjung & Nurlaila, 2023) This new block of data is then added to the blockchain, where the information is permanently stored and distributed to all participants in the network. The information in the blockchain can be accessed by anyone who has access to the network. Thus, the transaction is completed. Here's how blockchain works in general:

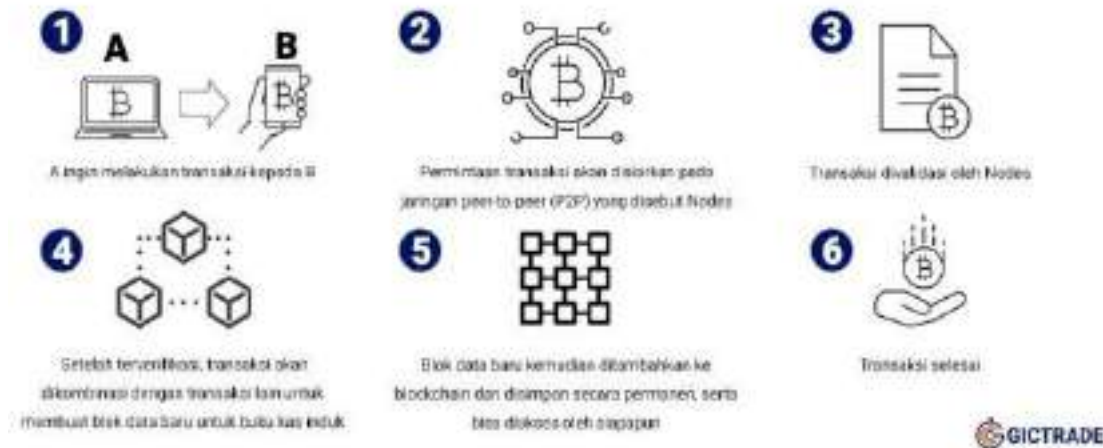


Image 1 How Blockchain works.

Source: <https://www.gicindonesia.com/jurnal/trivia/apa-itu-blockchain-adalah>

By using Sharia principles such as Sharia financial accounting standards (SAK) on blockchain technology, financial information can be stored in a decentralized manner in the form of a secure blockchain, where every transaction is recorded and can be verified by all parties involved. This eliminates the need for intermediaries and minimizes the risk of manipulation or human error.

CONCLUSION

Blockchain technology presents a promising opportunity to strengthen the principles and practices of Islamic accounting. The key principles of Islamic accounting - accountability, justice, and truthfulness - align well with the core attributes of blockchain like transparency, immutability, and decentralization.

By leveraging blockchain, Islamic financial institutions can enhance transparency by recording transactions on an immutable distributed ledger accessible to all authorized parties. This enables comprehensive auditing and traceability, upholding the principle of accountability (amanah). The tamper-proof nature of blockchain prevents fraudulent modifications, ensuring justice and truthfulness in financial reporting.

Furthermore, smart contracts on the blockchain can automatically enforce Sharia compliance by rejecting transactions involving *riba* (interest), *gharar* (excessive uncertainty), or prohibited business activities. This technological reinforcement of Islamic financial rules could promote wider adoption of ethical banking models.

However, challenges remain in addressing blockchain vulnerabilities like 51% attacks, privacy concerns over public ledgers, and the complexities of smart contract coding. Robust security protocols and permissioned blockchain networks may mitigate some of these risks for Islamic financial entities.

Overall, integrating blockchain with Islamic accounting principles has the potential to create a more transparent, ethical, and Sharia-compliant financial system fit for the digital age.

As both domains continue evolving, further research into technical implementations and juristic guidance will be valuable to realize the full benefits of this convergence.

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Resilience of Sharia Banking Efficiency in Times of Crisis

Putri Andari Ferranti, Anton Hindardjo, and Sri Anah

This study examines the operational efficiency of Sharia banking and conventional banking in Indonesia during the global pandemic crisis, to find which have withstood the real sector crisis intensity better. The method used is comparison of multiple regressions across categories of sharia and conventional banks according to OJK. The key variables used are operating expense ratio for efficiency and covid cases and deaths to measure intensity of the crisis. Pandemic crisis intensity significantly the efficiency of sharia banking, especially in BUKU 2 category, although not for larger sharia banks in BUKU 3 or any conventional banks. Smaller sharia banks should start improving their risk management, especially in optimizing their operational cost, in order to be more resilient in facing unexpected external real sector crisis. Financial regulators might need to implement more specialized capital policies for Sharia banks during crises. This study doesn't only compare efficiency of sharia and conventional banks in general, but also through BUKU categories.

Keywords: Sharia bank, conventional bank, operational efficiency, crisis

INTRODUCTION

There are arguments have been made that sharia banks are more resilient in their performance during periods of crises in Indonesia, especially in conducting their role as financial intermediaries. Minister of Finance claimed its superior resilience compared to conventional banking not only during the last, pandemic-driven, global crisis, but also during the previous global crisis in 2008 (Bisnis.com, 2020). Furthermore, Otoritas Jasa Keuangan (OJK) as financial services authority in Indonesia also announced that sharia banking had better achievement during the covid crisis as it reached positive 8.08% growth during the first year while while the conventional banking was contracted by negative 2.7% in banking credit distribution (CNBC Indonesia, 2021).

Despite having been developing rapidly for these past two decades, sharia and conventional banking's financial stability efficiency is still a subject of long running debate with mixed results. Safiullah (2021) argues that one of the factors in these inconclusive standing is that sharia and conventional banking stands on different mode of operating, that some resiliency measurements like z-score would yield bias interpretation since conventional banks by definition puts more emphasis to their risky assets than sharia. This is also the reason why some previous research on the topic like Wijana & Widyana (2022) claimed that conventional banking is not inherently weaker against the pandemic crisis despite finding that most banking performance indicators of sharia consistently outperformed conventional ones both before and during the crisis. Due to differences in these two bank groups' mode of operations, this study uses operating income to operating expense ratio (OE/OI) to reflect their operational efficiency measures since it is one of few efficiencies related ratios that can be used rather equivalently since OJK classifies them under the same variable in Indonesian conventional and sharia banking (SPI and SPS) reports.

This study looks into Indonesian sharia and conventional banking resiliency during the last economic crisis, which was caused by an external factor of covid pandemic. This provides opportunity to study the banking types' resiliency where the cause of crisis was not by inherently conventional banking related measures such as the previous global crisis due Lehman Brothers investment banking company and the distrust on conventional banking that followed. The cause of the last crisis was covid disease cases and deaths which can be used as pandemic shock measurement Wijana & Widyana (2022), were outside of financial sector's control, thus provides equal ground of public sentiment towards both type of banks.

There is supporting arguments for sharia banking being naturally more resilient against crisis than conventional counterpart aside from mere measurement bias. Elnahass et al. (2021) found that operational risk for sharia banks have been lower during the pandemic crisis due to its more restrained business model, as it emphasizes more on sharing profit than into speculative financial products. In similar vein, Viphindartin et al. (2022) argues that while conventional banks generally fares better in normal economic times, it has worse performance in dealing with times of crisis than their sharia counterpart such as the pandemic crisis, as they were quicker to decline and slower to recover to their original track. In samples of multiple

countries including Indonesia, Safiullah (2021) finds that in general sharia banks is 5.3% more efficient in maintaining their stability in comparison to their conventional counterpart rather consistently across long time period before pandemic crisis, countries, and regions. Indonesian sharia banks have good efficiency to begin with, even relatively better than those in Malaysia, another generally muslim populated, geographically close country, though both of their efficiencies suffer during the crisis (Riani & Ikhwan, 2022).

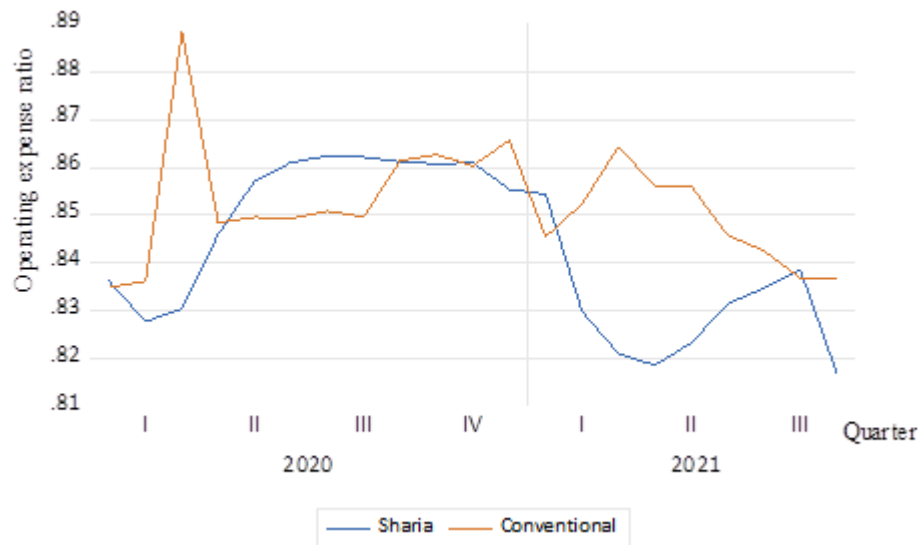


Figure 1. Comparison of Sharia and Conventional Bank's Operating Expense Ratio during pandemic crisis

Figure 1 shows the different patterns of sharia and conventional bank's operating expense ratio, as indicator of banking operational efficiency measure, in response to the crisis. What begun as similar ratio at the start of the year, conventional banking's ratio quickly shoots up as immediate response of the beginning of the pandemic, though it rather quickly falls down to its new equilibrium afterwards. It's important to note though that it doesn't quite back into its original level. The reaction of sharia one, however, is kind of the opposite since its efficiency became a bit better while the conventional was soaring, although it then rises up to a level a bit above conventional afterwards. Then in the third quarter, the conventional one rises to similar level to sharia and generally stays there until half of the following year while sharia drops even lower. All in all this shows that their efficiency scale moves rather independently to each other and that aside from a quarter in the first year, sharia operational efficiency was generally better than conventional throughout the period.

As such, observation on average of this ratio alone as well as previous researches argue mixed result on sharia's efficiency resilience and a study on how the intensity of crisis affect them is needed. While conventional might have more fluctuated response due to its inherently riskier asset, their scale and adaptation during the peaks of crisis sentiment downturn might show more insight.

On top of considering the aggregate financial indicators for both type of banks, it should also be noted that not all banks within the types have equal scale of operational capacity. Banks

with higher capital would have different capital structure, risk management capacity, product diversification, as well as some capital regulation differences, which would lead to different capacity to handle crisis. During economic volatility, most banks, except those in BUKU 1, experienced reduced efficiency due to unstable conditions and higher credit risks (Pardede and Listari, 2023). Banks in BUKU 3 and 4 were more affected than those in BUKU 2 and 1 (Pramestika and Muchilis, 2022).

The slowdown in financial market activities across various industrial sectors has triggered significant transformations in the banking system (Rosdiana, 2023). Globally, the increase in Non-Performing Loans (NPL) highlights unique challenges for developing countries like Indonesia, which often act as borrowers in international balance sheets amid increasing lender caution (Park, 2021). This situation reinforces the need for drastically increased liquidity, reflecting a response to unexpected external pressures (Li et al., 2020). Furthermore, the resilience of the banking sector to external pressures shows that lending activities are more affected in contexts experiencing greater stress (Colak & Oztekin, 2021). Globally, signs of recovery in bank profitability have emerged, marking the adaptation and resilience of this sector to global economic pressures, with high-income countries showing faster recovery (Elnahass et al., 2021). Initially, although the entire banking sector was almost uniformly affected and financial markets were filled with uncertainty about the long-term impact, banks with higher capitalization and profitability demonstrated better adaptive capacity, accelerating their recovery (Aldasoro et al., 2020).

This study aims to deepen our understanding of how Sharia and conventional banks in Indonesia navigate operational challenges during unprecedented global crises, such as the COVID pandemic. By comparing the operational efficiency of these banking sectors through the lenses of OJK's BUKU categories, this study provides a nuanced insight into how different scales of banks withstand economic pressures. The findings underscore the importance of efficient risk management, particularly for smaller Sharia banks, which are more susceptible to fluctuations in the real sector during crises. Furthermore, the implications of this study are significant for financial regulators who may consider the adoption of more tailored capital policies for Sharia banks to bolster their resilience against future economic shocks. This research not only highlights the differential impacts of the pandemic on various banking categories but also proposes strategic interventions to enhance the stability of the financial sector in the face of global economic disturbances.

LITERATURE REVIEW

Otoritas Jasa Keuangan (OJK) categorizes banks in Indonesia based on their total assets to allow them regulate and monitor them according to each of their scale and complexity. They have different capital requirements, for example, only BUKU 3 and up is obligated to make capital conservation buffer according to Bank Indonesia Regulation No. 15/ 12 /PBI/2013. BUKU 1 banks have total asset of less than IDR 5 trillion, they are relatively small banks with simple operations in limited regions. BUKU 2 is between IDR 5 trillion and less than IDR 30

trillion, they have larger assets and more diverse financial products, as well as usually broader markets. BUKU 3 and BUKU 4 are for banks with IDR 30 trillion to less than IDR 100 trillion and IDR 100 trillion or more assets. Due to limitation of sharia banks categorization at the time period though, OJK only provides data about BUKU 2 and BUKU 3 for sharia banking, aside from the overall sharia.

Pardede and Listari (2023) examines the operational efficiency of conventional banks before and during pandemic for each conventional bank BUKU categories, as well as their solvency, profitability, and liquidity. They found that banks with the smallest category, BUKU 1, actually managed to increase their operational efficiency during pandemic, as seen by their increased OE/OI, while larger banks have experienced significant downfall in their efficiencies, especially the highest category, BUKU 4, which had the biggest difference in their OE/OI. Similarly, Pramestika and Muchilis (2022) suggest worsened risk for larger banks as they examined that conventional banks of BUKU 3 and 4 experienced bigger impairment losses while BUKU 1 and 2 doesn't. Similarly, they found that BUKU 1-3 didn't get significantly larger NPL during the period while BUKU 4 banks did. Though their findings also imply that that the negative sentiment applied to all categories since all of their allowance for impairment losses significantly increased.

During the uncertain period where companies experience slower demand, plenty of them would rather save than expanding to minimize the risk of bankruptcy. This had led to companies restraining themselves from making new debts, even terminating their relationship with banks due to these lower internal operation factors, especially if their relationship with the bank is still less than three years (Kim, 2022). Companies with weak liquidity have seen a decline in their creditworthiness ratings (Jonasson & Knight, 2021) since the crisis has reduced their income.

The negative growth of consumer sentiment due to the crisis might had also led to increase in OE/OI through the rise of the banks' operating expenses without increasing their operating income when majority of the public would rather save to the deposit than borrow funds. When such deposit exceeds distributed loan too much, this would decrease the banks operational efficiency. It had been recorded that the Indonesian public reduced their spending significantly due to social activity restrictions on top of uncertainty about the future of their finances (Potia and Dahiya, 2020). It is not only in Indonesia either, since similar situation happened in United States where households excessively saved in their banks, although unlike most recessions, this wealth hoarding is directed more towards compensation rather than prevention since the sentiment is still that they believed the crisis will end eventually and they just need to compensate the wealth they lost now to recover later after the period of economic uncertainty (Voinea and Laungani, 2022). This attitude varies among countries, since in european countries like Austria, it was indeed had the preventive purpose where the savings ratio decreased in banking, probably due to many layoffs companies had during the crisis that affected citizens had to withdraw their savings for daily needs (Schneider and Sellner, 2022).

Based on increased expenditures and decreased interest income during the period of economic uncertainty, we hypothesize a decrease in banking efficiency, which can be measured by the increasing ratio of Operating Expense to Operating Income (OE/OI), in line with the intensity of economic uncertainty. The current economic uncertainty intensity is measured by the most prominent indicator during that period, namely the daily recorded cases.

Previous researches use the increase of the number of cases and death of covid as measures of the pandemic crisis intensity that caused negative signal to the financial market. Wijana & Widyana (2022) utilizes both data as the shock of the crisis, Nurcahyono et al. (2021) used it as negative signal to the capital market, as well as Haryanto and Mawardi (2021) using the data as quantifiable daily information that relates to market performance. Utomo & Hanggraeni (2021) also proved that the number of confirmed cases and deaths impacts the performance of various sectors negatively. Therefore, they reflect the magnitude unstable conditions and higher financial risks experienced by the companies and public as the main clients of the banks. Coupled with the fact that previous researches (Riani & Ikhwan, 2022; Elhanass et al., 2021; Viphindrartin et al. 2022) had confirmed that banks' operational efficiency got worse with the pandemic crisis, we have hypothesis that.

H1: The number of cases (or deaths) is positively related to the OE/OI ratio

While the crisis affected both types of bank, the discussion regarding their efficiency, risk, and general resiliency are still made for varied results. Raouf and Ahmed (2022) found that the magnitude of governing risk structures for financial stability is still weaker and impacts more negatively on the stability indicators for sharia banks than conventional ones. Sheharyar et al. (2023) also provides mixed interpretation that while during the crisis sharia outperformed conventional for asset quality and profitability, they have less technical efficiency.

However, Boubakri et al. (2023) concluded that in multiple countries during the crisis, sharia banks prove to grow and distribute credit better than conventional banks, which experienced negative growth instead. This implies that sharia banks have better efficiency in managing their credit income. In addition, Safiullah (2021) discovered that in long term across countries and regional varieties, sharia banks consistently have better estimated financial stability efficiency as much as 5.3% more stable efficiency than conventional on average. In Indonesia, it is also generally found that sharia banks maintained their operational efficiency better, as Wijana and Widnyana (2022) found that compared to conventional banks, sharia banks performs better in many banking indicators including OE/OI. Viphindrartin et al. (2021) who found that Islamic banks in Indonesia are more resilient in maintaining their income from pandemic shocks. Riani and Ikhwan (2022) even found that Indonesian sharia banks have better efficiency in controlling non-performing loans than Malaysian ones, and that both are generally better than their conventional counterparts.

Based on the above arguments, we hypothesize that there is a difference in efficiency between conventional and Islamic banks in facing the pandemic recession.

H2: Conventional and Islamic banks have different average OE/OI ratios during the pandemic

Based on the results of several previous studies, there are several findings relevant to the purpose of this study. Haryanto (2018) found that risk, bank size, and CAR negatively affect bank efficiency in Indonesia. Meanwhile, Azhar and Yeniwati (2020) also found that bank size, capital adequacy, and credit risk collectively have a significant impact on banking efficiency in Indonesia. Additionally, Sari et al. (2018) found that Islamic and conventional commercial banks have varying levels of efficiency, and factors such as Size, CAR, and NPL positively affect banking efficiency.

Miranti et al. (2022) found that small sharia banks in rural east Java areas mostly could not maintain their level of efficiency during the crisis. However, Pardede and Listari (2023) found that smaller BUKU category for conventional banks actually experienced increase in their efficiency, in contrast of larger conventional banks that plummeted during the period. Likewise, conventional banks with higher BUKU categories experienced bigger impairment losses while the lower ones did not. Therefore it is hypothesized that the size categories they are in and other factors also have effect on how magnitude of the crisis affect the banks' efficiency.

H3: The number of Covid cases (or deaths) affects the OE/OI ratio of conventional and Islamic banks differently for BUKU 2, BUKU 3, and overall category, controlling for the average risk level and size during that period.

RESEARCH METHODOLOGY

The study population includes the aggregate conventional and Islamic, according to reports from the Indonesian Banking Statistics and Sharia Banking Statistics published by the Financial Services Authority (OJK) with the selected sample period being March 2020 to September 2021. This period was chosen due to changes in OJK's calculation methods and categorizations post this period and the absence of covid cases in Indonesia prior to this period. Data was sourced from the Indonesian Banking Statistics officially published by OJK, consisting of time series data with monthly frequency for the years 2020-2021. Due to data limitations in the OJK's banking statistical reports for 2020-2021 for both conventional and Islamic banks, this study utilizes comparative data from both bank types, as well as from BUKU 2 and BUKU 3 categories. The data are then analyzed through Eviews 12 software.

The Operating Expense to Operating Income Ratio (OE/OI) measures a bank's efficiency in managing third-party funds and loan disbursement, including other operational costs and revenues. This ratio is calculated as the proportion of total operational expenses to operational revenues. A higher value indicates lower efficiency. The pandemic intensity variable is measured by examining official reports of confirmed COVID infection cases in Indonesia from the Ministry of Health during the study period, in line with Nurcahyono et al., 2021; Haryanto and Mawardi, 2021; Utomo & Hanggraeni, 2021. This variable includes

monthly new cases and deaths. To control for internal conditions of the studied banks, control variables such as the determinants of the OE/OI value according to Haryanto (2018) are also used. These control variables include average bank risk, company size, and capital adequacy ratio for each bank type. The research stages include descriptive analysis, mean analysis, classical assumption tests, and regression analysis for each bank category.

The general variable definitions are as follows:

Table 1. Variable Definitions

Variable	Definititon
$OE/OI = \frac{Total\ Operating\ Expenses}{Total\ Operating\ Income}$	This ratio measures how much operating income is consumed by operating expenses. A higher OE/OI indicates lower efficiency as more income is needed to cover expenses.
COV and DEATH	The number of covid cases and deaths.
$\frac{Bad\ Loan}{Total\ NonPerforming\ Loans}$ $= \frac{Bad\ Financing}{Total\ NonPerforming\ Financing}$ $= \frac{Total\ NonPerforming\ Loans}{Total\ Loans}$	This ratio assesses the level of loans (or finances for sharia bank) in default or close to being in default.
$\frac{Capital\ Adequacy}{Tier\ 1\ Capital + Tier\ 2\ Capital}$ $= \frac{Risk\ Weighted\ Assets}{Risk\ Weighted\ Assets}$	This ratio is a measure of banks' capital as provided by the secondary source.
$Asset = \ln (Total\ Assets)$	Taking the logarithm of assets helps in comparing banks of different sizes on a more equal footing.

In the descriptive analysis, an average OE/OI value summary is provided for each bank category, namely conventional and Islamic banks, and for each BUKU 2 and BUKU 3 category. A t-test is then conducted to examine significant differences between the average OE/OI values of each equivalent category of conventional and Islamic banks.

In mean test analysis, OE/OI values of each category (all, BUKU 2, and BUKU 3) are compared between conventional and sharia using t-test of mean equality.

In the regression analysis, the main objective is to determine whether increases in COVID cases and deaths affect the OE/OI values across different bank categories. Regression is performed using the changes of OE/OI value as the dependent variable and the change of pandemic intensity indicator along with control variables, namely changes in NPL, asset size, and CAR. The changes are calculated by their logarithmic return.

The regression models used in this study are as follows:

$$rBOPO_t = \alpha_0 + \alpha_1 rcovid_t + \alpha_2 rBadLoan/Financing_t + \alpha_3 rasset_t + \alpha_4 rcapitaladequacy_t + e_t \quad (1)$$

$$rBOPO_t = \beta_0 + \beta_1 rdeath_t + \beta_2 rBadLoan/Financing_t + \beta_3 rasset_t + \beta_4 rcapitaladequacy_t + \varepsilon_t \quad (2)$$

In the first regression model, the increase in cases is used as the pandemic intensity indicator, while in the second model, the increase in death numbers is used. Control variables included in both regression models are changes in NPL (Non-Performing Loan), asset size, and CAR (Capital Adequacy Ratio).

The effect on OE/OI efficiency weakening is evaluated based on the magnitude and significance of coefficients α_1 and β_1 in each regression. If the α_1 coefficient in the regression for conventional banks is significantly larger and positive compared to the β_1 coefficient in the corresponding regression for Islamic banks, it indicates that the efficiency of conventional banks, as measured through OE/OI, is more impacted compared to Islamic banks, and vice versa.

By conducting this regression analysis, the study aims to identify the impact of increases in COVID cases and deaths on changes in OE/OI values across different bank categories, and to compare the impacts between conventional and Islamic banks in terms of operational efficiency.

RESULT AND DISCUSSION

The descriptive analysis shows that on average, the OE/OI (Operating Expense to Operating Income Ratio) of conventional banks overall is higher than that of Islamic banks. This pattern is also observed in both BUKU 2 and BUKU 3 categories.

Specifically, when considering all banks, conventional banks exhibit a higher average OE/OI than Islamic banks, with values of 85.21% compared to 84.24%. This indicates that conventional banks face greater operational burdens in conducting their operations compared to Islamic banks. Further, when looking at the BUKU 2 category, which includes banks with fairly large assets, the descriptive analysis reveals that conventional banks have a higher average OE/OI than Islamic banks in this category, with average values of 91.49% compared to 89.23%. This suggests that conventional banks generally face higher operational costs than Islamic banks. Similarly, in BUKU 3, the OE/OI values for conventional banks still have a higher average of 89.99% compared to 81.29%.

Table 2. Description of OE/OI Data During the Pandemic

Measures	General		BUKU 2		BUKU 3	
	Conventional	Sharia	Conventional	Sharia	Conventional	Sharia
Mean	0.85213	0.84242	0.91499	0.89235	0.8999	0.81298
Median	0.8497	0.83862	0.92035	0.9107	0.89656	0.81611
Maximum	0.8884	0.86246	0.9396	0.9357	0.92341	0.8456

Minimum	0.8349	0.81689	0.886	0.8124	0.885	0.77579
Std. Dev.	0.01261	0.01661	0.01736	0.03659	0.01099	0.02111
Skewness	0.94789	-0.0786	-0.2131	-1.2383	0.57659	-0.2496
Kurtosis	4.34062	1.44518	1.77441	2.99389	2.41522	2.03573
Jarque-Bera	4.71732	2.1369	1.47323	5.36731	1.46282	1.03164
Probability	0.09455	0.34354	0.47873	0.06831	0.48123	0.59701

Islamic bank shows lower average OE/OI values compared to conventional bank across categories, indicating that Islamic banks typically can manage their operational costs more efficiently while still maintaining significant operating income. In the context of the pandemic, this could suggest that Islamic banks may have an advantage in optimizing their resources, controlling costs, or implementing effective cost-saving strategies.

Table 3. Test of Mean Equality

OE/OI	All	Buku 2	Buku 3
t-test	2.13311	2.56153	16.7358
Probability	0.0391	0.0143	0
Satterthwaite-Welch t-test*	2.13311	2.56153	16.7358
Probability	0.0396	0.016	0
Anova F-test	4.55017	6.56141	280.089
Probability	0.0391	0.0143	0
Welch F-test*	4.55017	6.56141	280.089
Probability	0.0396	0.016	0
*test with unequal variance			

In Table 2, the differences are statistically significant through various tests, such as the t-test, analysis of variance (ANOVA), and the Satterthwaite-Welch and Welch's F tests, which do not assume equal variances. The average differences in OE/OI values between conventional and sharia banks show significance at the 5% level for all banks and the BUKU 2 category, and at the 1% level for the BUKU 3 category. It can be concluded that there is a significant difference in OE/OI values conventional and sharia banks across the three categories studied, where conventional have higher average. This indicates sharia banks on average have better operational efficiency in dealing with the pandemic crisis. Table 3 shows that aside from two values, all the models fulfill classical assumptions.

Table 4. Classical Assumption Tests

Categories and Regression Model		Normality Jarque-Bera P-value	Homoscedastic Breusch-Pagan P-value	Multicollinearity Highest Variance Inflation Factor	Autocorrelation Durbin-Watson value
Conventional General	Model 1	0.819210	0.7706	2.369225	2.199638
	Model 2	0.774403	0.0238	2.261639	2.350238
Conventional BUKU2	Model 1	0.226462	0.7456	2.315484	1.513956
	Model 2	0.382975	0.4641	2.283948	1.459039
Conventional BUKU 3	Model 1	0.346104	0.9948	1.390098	1.877140
	Model 2	0.360481	0.9820	1.400828	1.786965
Sharia	Model 1	0.357523	0.3744	1.148321	1.992400
	Model 2	0.872057	0.6055	1.149903	1.765678
Sharia BUKU 2	Model 1	0.023225	0.5226	1.109690	1.407364
	Model 2	0.343696	0.5516	1.162957	1.148725
Sharia BUKU 3	Model 1	0.823614	0.4098	4.126215	2.250628
	Model 2	0.606716	0.5880	2.638906	2.022136

Table 5. Bank Regression Analysis

Conventional

Variable	Coefficient	t-Statistic	Variable	Coefficient	t-Statistic
C	-0.002689	-0.738829	C	-0.003746	-0.989631
RCOVID	-0.004895	-2.502429**	RDEATH	-0.004285	-1.991700
Bad Loan	0.118242	1.134150	Bad Loan	0.134131	1.195923
Asset	-10.11200	-2.420561**	Asset	-11.30684	-2.599921
Capital Adequacy	-0.230504	-1.462379	Capital Adequacy	-0.250639	-1.489623

Sharia

Variable	Coefficient	t-Statistic	Variable	Coefficient	t-Statistic
C	-0.001764	-0.585951	C	-0.000864	-0.261839
RCOVID	0.005294	3.103903	RDEATH	0.004577	2.344174**
Bad Financing	0.067162	0.450632	Bad Financing	0.028034	0.171508
Asset	0.016054	0.008151	Asset	-0.161453	-0.074051
Capital Adequacy	-0.182268	-2.560132	Capital Adequacy	-0.194732	-2.485243**

Conventional BUKU category 2

Variable	Coefficient	t-Statistic	Variable	Coefficient	t-Statistic
C	-0.001156	-0.335836	C	-0.002446	-0.758561
RCOVID	0.001777	0.706476	RDEATH	0.003817	1.505348
Bad Loan	0.021272	0.319820	Bad Loan	0.002508	0.040054
Asset	-1.896554	-0.877231	Asset	-1.464711	-0.711843
Capital Adequacy	-0.006627	-0.044340	Capital Adequacy	-0.002384	-0.017078

Sharia BUKU category 2

Variable	Coefficient	t-Statistic	Variable	Coefficient	t-Statistic

C	0.001011	0.256196	C	0.002124	0.498644
RCOVID	0.007944	2.731265**	RDEATH	0.006944	2.048577*
Bad Financing	0.169211	1.655704	Bad Financing	0.156042	1.399495
Asset	-0.367412	-0.956194	Asset	-0.355040	-0.846622
Capital Adequacy	-0.084842	-1.246699	Capital Adequacy	-0.090550	-1.191591

Conventional BUKU category 3

Variable	Coefficient	t-Statistic	Variable	Coefficient	t-Statistic
C	0.002126	1.017781	C	0.001789	0.812830
RCOVID	-0.002475	-1.456026	RDEATH	-0.001430	-0.774305
Bad Loan	-0.085681	-1.361410	Bad Loan	-0.091095	-1.311598
Asset	0.523025	0.557290	Asset	0.733523	0.753354
Capital Adequacy	-0.017978	-0.134317	Capital Adequacy	-0.057469	-0.418868

Sharia BUKU category 3

Variable	Coefficient	t-Statistic	Variable	Coefficient	t-Statistic
C	-0.001555	-0.351017	C	-0.000915	-0.200864
RCOVID	0.007710	1.559878	RDEATH	0.005149	1.190147
Bad Financing	-0.004619	-1.335570	Bad Financing	-0.002486	-0.868805
Asset	-0.024444	-0.378574	Asset	-0.003812	-0.058066
Capital Adequacy	-0.164864	-3.606659***	Capital Adequacy	-0.161934	-3.419760***

*, **, *** are significant at the 10%, 5%, and 1% levels, respectively.

Changes in the intensity of COVID cases, when measured using the increase in cases, have a significant effect on changes in the OE/OI value across all conventional banks. The coefficient of -0.0049 indicates that an increase in COVID cases is significantly associated with a decrease in OE/OI by 0.0049 at a 5% significance level. This suggests that an increase in COVID case intensity contributes to improved operational efficiency in conventional banks, where operational costs tend to decrease relative to operational income. Similar results are also obtained when measured using the increase in death counts, which also significantly influences changes in the OE/OI value across all conventional banks. The coefficient of -0.0043 indicates that an increase in the number of deaths is significantly associated with a decrease in OE/OI by 0.0043 at a 10% significance level.

The results show that the higher the intensity of cases or deaths from COVID, the lower the OE/OI value of conventional banks. Although this indicates a significant relationship, it cannot be conclusively stated that higher pandemic intensity leads to higher efficiency in conventional banks. There is a possibility that government assistance to conventional banks during the peak of the pandemic could be a contributing factor to the decrease in OE/OI value.

Government aid could reduce operational costs for banks and provide additional liquidity that could affect efficiency indicators like OE/OI.

Table 5 also shows that increases in COVID cases and deaths have a significant positive impact on the change in OE/OI value for Islamic banks overall and in the BUKU 2 category. The regression results reveal positive and significant coefficients at certain significance levels for both variables. The increase in COVID cases has a significant coefficient of 0.00529 at the 1% level in its impact on the change in OE/OI for Islamic banks overall. This indicates that the higher the intensity of COVID cases, the greater the change in OE/OI for Islamic banks overall. Similarly, the increase in COVID deaths also has a significant positive effect on the change in OE/OI for Islamic banks overall. A coefficient of 0.00458 with a 5% significance level shows that the higher the intensity of deaths, the greater the change in OE/OI for Islamic banks overall. This indicates that an increase in the number of deaths can affect an increase in operational costs relative to operational income for Islamic banks overall.

A similar pattern is observed in the BUKU 2 category within Islamic banks. The increase in COVID cases has a coefficient of 0.00794 with 5% significance, while the increase in deaths has a coefficient of 0.00694 with 10% significance. These results indicate that increases in the intensity of COVID cases and deaths contribute to an increase in operational costs relative to operational income for Islamic banks in the BUKU 2 category.

The findings of this study indicate that Islamic banks generally have better efficiency resilience but are also more sensitive to the intensity of the pandemic. This result aligns to Riani & Ikhwan (2022), where they found that sharia bank efficiency in both Indonesia and Malaysia are more sensitive to the intensity of pandemic crisis where it declines faster with as duration of pandemic crisis, despite being overall on better scores than conventional ones.

Safiullah (2021) and Viphindartin et al. (2021) argue that Islamic banks have higher stability efficiency and are more resilient in maintaining their income during economic shocks, such as those caused by a pandemic. This study supports this view to the extent that Islamic banks display better overall efficiency resilience. However, this study also highlights that Islamic banks' operational efficiency is more susceptible to fluctuations in pandemic intensity, which indicates a nuanced sensitivity not fully captured in these previous findings.

Additionally, Wijana and Widnyana (2022) find that Islamic banks are more adept at minimizing non-performing financing compared to conventional banks. While this study does not show significant influence of non-performing loans in either conventional and sharia.

CONCLUSION

The conclusions that can be drawn from this study are as follows:

1. Sharia banking have generally higher operational efficiency than conventional one, as indicated by significantly lower OE/OI value overall, as well as in the BUKU 2 and BUKU 3 categories.
2. Despite the lower average, sharia banking is more sensitive to the intensity of the crisis, while conventional banking is more stable. Increases in cases and deaths significantly

positively affect the increase in OE/OI values in Islamic banks overall and in the BUKU 2 category, but not in BUKU 3 or in the conventional banking categories studied.

This study is rather limited by the categories provided in Indonesian Banking Statistic reports, as the data for BUKU 1 and 4 are not available. The change in OJK indicators also limits the time period of this study. There are other factors that can affect OE/OI, including the bank's business strategy, cost composition, and different operational structures between Islamic and conventional banks. In this context, it is important to conduct further research involving more detailed analysis and more comprehensive data to understand the factors affecting OE/OI in Islamic and conventional banks during the pandemic. Such analysis should consider the context of Islamic banking, the operational characteristics of the banks, and relevant control variables.

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